

EXHIBIT C

Layton Declaration

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

The Financial Oversight and Management Board
for Puerto Rico,

as representative of

The Commonwealth of Puerto Rico, et al.,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

DECLARATION OF MARK LAYTON

Under 28 U.S.C. § 1746, I, Mark Layton, declare under penalty of perjury that the following is true and correct to the best of my knowledge, information, and belief:

1. I submit this declaration (the “Declaration”) in support of Cobra Acquisitions LLC (“Cobra”) Urgent Motion to Modify the Stay Order and Allow the Undisputed Tax Claims.
2. I am the Chief Financial Officer of Mammoth Energy Services Inc. (“Mammoth” and, together with its subsidiaries, including Cobra, the “Company”) and its wholly-owned subsidiary, Cobra Acquisitions LLC (“Cobra”). I have served as the Chief Financial Officer of

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19 BK 5523-LTS) (Last Four Digits of Federal Tax ID: 3801). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Mammoth since its formation on June 3, 2016 and as the Chief Financial Officer of Cobra since its formation on November 17, 2016.

3. In my role, I am familiar with certain of the books, records, policies, and documents maintained by the Company, including the documents attached to or otherwise referenced in this declaration (the “Business Records”). The Business Records are kept by the Company in the regular course of its business and are made at or near the time of the events appearing therein by, or from information provided by, persons with knowledge of the activity. It is the regular course of business for the Company to make such records. I have personal knowledge of the matters stated herein or have acquired such knowledge by personally examining the Business Records kept by the Company. If called upon to testify as to the matters stated here, I would and could competently testify thereto.

4. PREPA awarded Cobra a contract in October 2017 for Cobra to provide emergency repairs to PREPA’s electrical grids and rebuild the power infrastructure (the “First Contract”). The First Contract was for \$200 million. Through five amendments, the maximum contract value was increased to \$945 million. A true and correct copy of the First Contract, with amendments, is attached hereto as Exhibit 1.

5. PREPA awarded a second contract in May 2018 for Cobra to perform all of the work necessary to restore and reconstruct Puerto Rico’s power grid (the “Second Contract”). The Second Contract provided for PREPA to pay Cobra for its time and materials at negotiated rates. The maximum contract value of the Second Contract was \$900 million. A true and correct copy of the Second Contract, which was not amended, is attached hereto as Exhibit 2.

6. By April 2019, Puerto Rico’s electrical grid was restored as a result of Cobra’s efforts pursuant to the First and Second Contracts. Without Cobra’s efforts, most of Puerto Rico

would be without power and PREPA would have no significant revenue. The high quality of Cobra's services has never been questioned by PREPA and was demonstrated most recently by the impressive resilience of the grid's transmission and distribution infrastructure following recent earthquakes in Puerto Rico.

I. Impact on the Company of PREPA's Continuing Failure to Pay

7. As of December 31, 2019, PREPA owes Cobra approximately \$227 million for services performed on these contracts, excluding \$42 million of interest charged on these delinquent balances. Of those amounts, Cobra is owed \$61,668,083.33 plus interest under the First Contract's "tax gross-up" provision ("Tax Gross-Up Amount). *See* Ex. 1 at 65. Cobra is indisputably entitled to immediate payment of at least the Tax Gross-Up Amount.

8. Cobra's parent, Mammoth, provided the funding that Cobra needed to perform the PREPA Contracts. This included borrowings that Mammoth obtained in order to fund Cobra's tax obligation to Puerto Rico arising from its work for PREPA. Cobra is thus indebted to Mammoth in approximately the amount that PREPA owes Cobra, but Cobra is unable to satisfy that debt until PREPA pays Cobra. As a result, PREPA's delinquent balance and its failure to pay the amounts owed to Cobra on a timely basis or at all has had a material adverse impact on the Company and has adversely affected the Company's liquidity. Attached hereto as Exhibit 3 is a true and correct copy of the Form 10-K filed by the Company with the Securities and Exchange Commission on March 2, 2020. The risks to the Company caused by PREPA's ongoing non-payment are described at pages 23-25, 49, 60, and 61 of Exhibit 3.

9. Without assurance of substantial payment from PREPA in the near future, Cobra, Mammoth and the approximately 1,500 individuals employed by the Company are at risk, as described in the Company's 10-K. The Company's business primarily consists of providing (1)

infrastructure services to the electrical infrastructure industry and (2) oilfield services to the oil and gas industry. In 2017 and 2018, Mammoth devoted substantial resources and working capital to Cobra so that Cobra could perform hurricane restoration work under the Contracts. In 2018, 100% of Cobra's revenue and 60% of Mammoth's revenue were derived from work performed under the Contracts. Because of PREPA's failure to pay amounts due and owing under those Contracts, the Company has incurred indebtedness and its liquidity has been constrained. Meanwhile, the oil and gas business is in a significant downturn as a result of actions taken by OPEC as well as the impact of COVID-19, resulting in weak demand for the Company's oilfield services. The Company is under increased financial strain, largely in part because Mammoth has limited liquidity due to the substantial amounts owed to Cobra by PREPA.

10. As of March 6, 2020, the Company had a market capitalization of approximately \$33.4 million, an approximately 96% decrease from its market capitalization of approximately \$744 million at the end of March 2019, when Cobra ceased to provide services to PREPA under the Contracts.

11. Because of PREPA's failure to pay Cobra the outstanding amounts due under the Contracts, and Cobra's resulting inability to reimburse Mammoth for its funding of Cobra's work, at the end of March 2020, the Company was required to renegotiate its credit facility to prevent it from being in default of financial covenants with its lenders. To obtain this amendment from its lenders, the Company was required to agree to pay a higher interest rate (LIBOR + 3.5% as compared to 2.0% before the renegotiation), to further constrain its liquidity (the Company's ability to borrow is now \$55 million less than before the renegotiation), and to pay a substantial fee to the lenders.

12. Absent assurance of PREPA's payment to Cobra of at least the Tax Gross-Up Amount, the Company could breach its amended covenants. If an event of default occurs, the lenders (i) would not be required to lend any additional amounts to Mammoth, (ii) could elect to declare all outstanding borrowings, together with accrued and unpaid interest and fees, to be due and payable, and (iii) may have the ability to require Mammoth to apply all of its available cash to repay its outstanding borrowings. In short, a further delay in receiving at least the Tax Gross-Up Amount will continue to cause substantial harm to Cobra and, by extension, Mammoth, and the Company's approximately 1,500 employees.

13. I understand that if Cobra's claim to the Tax Gross-Up Amount is found to be an allowed claim, PREPA will be required to make payment no later than the effective date of a confirmed plan of adjustment. I believe that such assurance of payment will assist the Company's survival until receipt of those sums and will provide assurance to the Company's lenders and investors.

II. Cobra Is Entitled to Immediate Payment of \$61,668,083.33 for Taxes Paid in 2019 for Work Performed in 2018

14. Of the \$227 million of outstanding payments, \$61,668,083.33 in outstanding payments stem from PREPA's failure to reimburse Cobra for taxes that Cobra paid in March 2019 to Puerto Rico in excess of 8.5% for work performed in 2018. The First Contract required PREPA to reimburse Cobra for taxes it paid to Puerto Rico each year in excess of 8.5%. *See Ex. 1 at 65.* Presently, PREPA owes Cobra \$61,668,083.33 for taxes Cobra paid in 2019. Cobra used borrowed money to pay taxes to Puerto Rico in 2019, with the expectation that PREPA would comply with its obligation to reimburse Cobra for the amount paid in excess of 8.5%.

15. PREPA recognized and honored its obligation to reimburse excess taxes Cobra paid for its work in 2017 and 2018. To establish the tax gross-up amount due for work

performed in 2017, Cobra provided PREPA with invoices totaling \$15,958,356.80, along with its 2017 tax returns and its tax certification.² The Excel chart attached hereto as Exhibit 4 is a true and accurate chart reflecting the tax gross up invoices submitted to PREPA for work performed in 2017. Without requiring further information, PREPA paid Cobra the \$15,958,356.80 tax gross-up amount for 2017. True and correct copies of the wire receipts and bank account statements reflecting those payments are attached hereto as Exhibit 5.

16. Approximately one year later, as the time approached for Cobra to seek reimbursement for the excess taxes it paid for 2018, I had a conversation with Fernando Padilla, the Director of the Project Management Office at PREPA. I informed Mr. Padilla that the tax gross-up for 2018 would be approximately \$60 million. Mr. Padilla told me that PREPA would reimburse Cobra the approximately \$60 million upon Cobra's submission of its tax return in mid-May 2019. Mr. Padilla reaffirmed that statement in an email dated April 14, 2019. A true and correct copy of an email chain including Mr. Padilla's April 14, 2019 email is attached hereto as Exhibit 6. When Cobra filed its 2018 tax return in May 2019, Cobra's Chief Executive Officer, Arty Straehla, confirmed PREPA's agreement to quickly reimburse the approximately \$60 million owed to Cobra with Mr. Padilla. Mr. Padilla responded on May 20, 2019 that

² Cobra also provided PREPA with the documents required by Article 69 of the First Contract. These documents include: (1) Certificate of Authorization to do Business in Puerto Rico issued by the Department of State, (2) Certificate of Good Standing issued by the Department of State, (3) Merchant's Registration Certificate issued by the Department of Treasury, (4) Sworn Statement that neither Cobra nor its officers have been convicted of or plead guilty to the enumerated crimes under Article 3 of Public Law 458, (5) Sworn Statement that Cobra is in compliance with the Ethics Act of the Government of Puerto Rico, (6) Sworn Statement that Cobra is in compliance with and will continue to comply with any Judicial or Administrative Order demanding payment or economic support pursuant to Act 168-2000 – the Law for Strengthening of the Family Support and Livelihood of Elderly People, (7) Cobra's income Tax Filing Certificate issued by the Treasury Department, (8) Cobra's Income Tax Certification issued by the Treasury Department, (9) Sales and Use Tax Filing Certificate issued by the Treasury Department, (10) Sales and Use Tax Certification used by the Treasury Department, (11) Personal Property Tax Return Filing Certificate issued by the Municipal Revenues Collection Center, (12) Personal Property Tax Certification issued by the Municipal Revenues Collection Center, (13) Payment of 'Employees Contributions' Certification issued by the Department of Labor and Human Resources, (14) ASUME withholdings certification issued by the Child Support Administration, and (15) Proof of Registration of the contract with the Office of the Comptroller of the Government of Puerto Rico.

PREPA would “coordinate internally for processing” once he received the tax return. A true and correct copy of that correspondence is attached hereto as Exhibit 7.

17. On May 22, 2019, I provided a stamped copy of Cobra’s tax returns for 2018 to Mr. Padilla and Jose F. Ortiz Vazquez, PREPA’s CEO, along with a calculation of the reimbursement owed by PREPA based on Cobra’s tax filing. *See* Ex. 7. This was the same level of information that we had submitted for 2017 and that PREPA had acknowledged was sufficient for it to make the tax gross-up payment for 2017. The Excel chart attached hereto as Exhibit 8 is a true and accurate chart reflecting the tax gross up invoices submitted to PREPA for work performed in 2018.

18. Notwithstanding the submission of Cobra’s 2018 tax return and PREPA’s repeated promises to process the reimbursement, PREPA did not make the tax gross-up payment for 2018. Instead, PREPA requested additional information from Cobra not required by the First Contract. Out of a desire to cooperate with PREPA and receive the tax gross-up payment as quickly as possible, Cobra complied with PREPA’s requests for additional information.

19. PREPA first requested additional information regarding two components of the calculation: Cobra’s effective tax rate and Cobra’s expenses. Cobra provided the requested information on June 14, 2019. A true and correct copy of this email chain is attached hereto as Exhibit 9. PREPA then requested Cobra’s 2017 Puerto Rico Informative Income Tax Return, Pass Through Entity, which Cobra provided on June 17, 2019. On June 19, 2019, PREPA sent Cobra a request for several additional categories of information, including information that Cobra had previously provided and irrelevant tax returns of Cobra’s parent company. Cobra responded to the requests with additional information on June 27, 2019. Cobra provided PREPA with links to Mammoth’s audited financial statements for 2017 and 2018, Cobra’s final amended

tax returns for 2017 and 2018, detailed explanations as to the calculation of the 47.21% effective tax rate, and a detailed job cost for the Puerto Rico projects in 2018, including an explanation on how cost was allocated between contracts. On July 1, 2019, PREPA told Cobra that it expected to “get back to [Cobra] next week.” A true and correct copy of this email chain is attached hereto as Exhibit 10.

20. After additional inquiries from Cobra, on July 16, 2019, PREPA requested more details about Cobra’s effective tax rate, expense details, and tax returns. Cobra promptly provided the requested information that same day. *See* Ex. 10. PREPA requested more information about Cobra’s tax rates and Cobra supplied copies of the relevant Puerto Rico tax statutes on July 18, 2019. *See* Ex. 10. At another meeting to discuss the tax issue, PREPA requested still more information about Cobra costs, and on July 25, 2019 Cobra supplied PREPA with details of its costs by general ledger account by month and offered to provide its complete general ledger. A true and correct copy of this email chain is attached hereto as Exhibit 11. The same day, Cobra also provided a reconciliation of the retained earnings roll between the 2017 and 2018 tax returns and a draft of Cobra’s 2018 financial statements. Cobra further offered to set up a call between Cobra’s tax preparer, a “Big Four” accounting firm, and PREPA’s representatives. PREPA did not take up that offer. A true and correct copy of this email chain is attached hereto as Exhibit 12.

21. After providing this information to PREPA, I followed up with Jose Roque Torres, PREPA’s Treasurer, and asked how the Company could facilitate the 2018 tax gross-up payment that PREPA owed to Cobra. I repeatedly reached out to Mr. Torres to schedule a call. After scheduling a call, I provided additional details to Mr. Torres and others at PREPA regarding

the effective tax rate, line items regarding Cobra's expenses, and information regarding the amendment of Cobra's 2017 tax return. *See* Ex. 10.

22. I also provided Mr. Padilla, Mr. Torres, and Eduardo Ortiz Colon with various worksheets calculating the amount of excess taxes due. A true and correct copy of this email chain is attached hereto as Exhibit 13.

23. On July 31, 2019, Cobra requested an update from PREPA on when it could expect payment on the tax gross-up, noting that "[w]e understand you are managing liquidity, but we have to manage our liquidity as well and need to see payments resume." PREPA did not respond and, on August 6, 2019, Cobra followed up with PREPA again. Still no payment was made. *See* Ex. 12.

24. Notwithstanding Cobra's compliance with both the requirements of the First Contract and PREPA's numerous requests for additional information, Cobra did not receive the \$61,668,083.33 tax gross-up it is owed for 2018.

25. I am not aware of any basis for PREPA to withhold the excess tax payments from Cobra. Cobra completed the work required under the First and Second Contracts. Cobra submitted the required documentation and sought to facilitate payment at every juncture. PREPA has never informed Cobra that it disagrees with the amount of excess tax payments owed.

26. On July 18, 2019, I attended a meeting with Mr. Ortiz Vazquez, Mr. Padilla, Mr. Straehla, and Mark Guess at which Mr. Ortiz Vazquez stated that PREPA would pay Cobra \$30 million of undisputed invoices. In our presence, Mr. Ortiz Vazquez called Mr. Arturo Deliz, the Director of Federal Program, and directed him to make a \$30 million payment to PREPA. When PREPA's payment had not arrived by August 25, Mr. Straehla sent an email to Mr. Padilla and

Mr. Ortiz Vazquez recounting the July 18, 2019 meeting, reiterating that Cobra is entitled to payment for the \$60 million in excess tax payments, as well as \$20 million in approved invoices and requesting again that PREPA make the \$30 million payment. In response, Mr. Padilla did not dispute that PREPA owes Cobra that money and that PREPA had promised to pay it. Instead, Mr. Padilla claimed these amounts had not yet been paid because PREPA has \$180 million in arrears with FEMA.

27. PREPA has never made any such payment. True and correct copies of email chains reflecting PREPA's failure to pay Cobra are attached hereto as Exhibits 14 and 15.

28. I understand that the Federal Emergency Management Agency ("FEMA") is conducting an analysis of the rates set forth in the First Contract between PREPA and Cobra. I understand that this analysis is being performed because the Department of Homeland Security Office of the Inspector General ("OIG") found flaws in the method FEMA used to determine in December 2017 that the rates in those contracts were reasonable. A true and correct copy of the OIG report making this finding, entitled FEMA's Eligibility Determination of Puerto Rico Power Authority's Contract with Cobra Acquisitions LLC, dated July 3, 2019, is attached hereto as Exhibit 16 ("OIG Report").

29. FEMA's comments to a draft of the OIG Report noted that two separate reviews had found the rates in the First Contract between PREPA and Cobra were reasonable. *See* Ex. 16 at 9. First, FEMA itself had concluded that the contract had been awarded in compliance with applicable federal standards and that the contract rates were reasonable when compared with other proposals made to PREPA at that time. Second, the Homeland Security Operational Analysis Center ("HSOAC"), operated by the RAND Corporation, had found that the contract rates fell within a representative range that was reasonable for emergency work. Neither the OIG

Report nor the RAND Report call into question whether Cobra is entitled to reimbursement of taxes actually paid to Puerto Rico in accordance with the First Contract.

30. According to the Wall Street Journal, RAND concluded that Cobra's contract rates were reasonable considering the "situational uncertainty that prevailed" after Hurricane Maria. A true and correct copy of the Wall Street Journal Article, "Puerto Rico Grid Contractor Caught Up in Federal Probes," by Andrew Scurria, dated June 5, 2019 is attached hereto as Exhibit 17. According to the OIG Report, FEMA and HSOAC are now engaged in an analysis of whether the "actual contract costs" (i.e., time and quantities) are reasonable for FEMA's purposes.

31. I have had numerous communications, both oral and in writing, with PREPA officials regarding monies owed to Cobra under the Contracts. In all of those discussions, no PREPA official has ever stated that PREPA is withholding money from Cobra because of any criminal proceeding or any FEMA analysis of the rates PREPA agreed to pay Cobra under the Contracts.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 25, 2020.



Mark Layton

Exhibit 3

GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

EMERGENCY MASTER SERVICE AGREEMENT FOR PREPA'S ELECTRICAL GRID
REPAIRS - HURRICANE MARIA

APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended, represented in this act by its Executive Director, Ricardo Luis Ramos Rodríguez, of legal age, married, engineer and resident of Caguas, Puerto Rico.

AS SECOND PARTY: Cobra Acquisitions LLC, a limited liability company organized and existing under the laws of the State of Delaware with a place of business at 14201 Caliber Drive, Suite 300, Oklahoma City, Oklahoma 73134, herein represented by Arty Straehla, of legal age, married, and a resident of Oklahoma City, Oklahoma, hereinafter referred to collectively as "the Contractor") whose authority of representation is evidenced by corporate resolution.

WITNESSETH

In consideration of the mutual covenants hereinafter stated, the Parties agree themselves, their personal representatives, and successors as follows:

TERMS AND CONDITIONS

ARTICLE 1: Scope of Contract

The Contractor shall provide labor, supervision, tools, equipment and materials necessary to perform the storm restoration services at various locations in PREPA's service areas, all in strict accordance with the provisions of this contract and contractor's proposal attached hereto as Exhibit A. PREPA will sign one Contract Release for each line, feeder or segment project. The terms and conditions stated in

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this Contract will govern on any Contract Release all in accordance and compliance with FEMA guidelines and regulations.

ARTICLE 2: Definitions

Whenever the words defined in this article or pronouns used instead are mentioned in this Contract, they shall have the meanings here given:

- 1) Engineer - shall mean the Transmission and Distribution Director of PREPA, acting directly or through his properly authorized representatives.
- 2) Contracting Officer - shall mean the Chief of Supply Chain Division and Contracting Officer of PREPA, acting directly or through his properly authorized representatives.
- 3) Contract - shall mean collectively, all the covenants, terms, and stipulations in these articles of agreement, which constitute an amendment and supersedes to that contract entered into by the parties on September 26, 2017, and in all supplementary documents hereto attached which constitute essential parts of the Contract and are hereby made part thereof, to wit:
 - Contract
 - Contractor's Proposal (attached hereto as Exhibit A)
 - Contractor's Rate Structure (attached hereto as Exhibit B)
 - Contractor's Standard Equipment and Tooling Schedule (attached hereto as Exhibit C)
- 4) Change order - A written agreement between the parties that sets out changes in price, time, or scope of work to the Contract, which has been approved by the appropriate official pursuant to the general authorization for approval.
- 5) Contract Release - A purchase order created with reference to this contract, the contract release documentation (order date, quantity, value, number of the contract release order, account number, among others) is included as part of each release.

ARTICLE 3: Consideration

In accordance with the terms and conditions contained herein, PREPA agrees to pay and the Contractor accepts that PREPA will make payment for the work performed on a Time and Materials basis at the rates, and subject to the terms, set forth in Exhibit B and Exhibit C, as supplemented from time to time by additional subcontractors. As compensation for services rendered under this Contract, PREPA and the Contractor agree that the total amount to be paid under this Contract shall not exceed \$200,000,000 (the Contract Amount). All payments shall be made after the approval of the Contract Release.

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PREPA will only pay for Services already rendered before the submitted invoice date. PREPA will not be required to make advance payments for any future service to be rendered by Contractor under the Contract, except for those services related to the initial mobilization and final demobilization. Contractor shall submit invoices two times each week (on Monday and Thursday) which will include a description of the services rendered as per established in Contractor's Proposal, Contractor's Rate Structure and Contractor's Standard Equipment and Tooling Schedule. Each invoice shall be itemized and must be duly certified by an authorized representative of the Contractor.

PREPA will approve invoices within seven (7) calendar days, from time of receipt from contractors' initial submission. PREPA will review the invoices and if they are in compliance with the requirements set forth in the Contract, PREPA will proceed with payment within three (3) calendar days of the approval of invoice. Payment is due upon approval of a valid invoice. In any event, payment terms to contractor shall not exceed Net 10 Days from date of submission of invoice by contractor to PREPA. A finance charge of 1% per month shall be due on payments received after the date due pursuant to the schedule described above.

All Invoices submitted by the Contractor shall include the following Certification in order to proceed with its payment.

- No Interest Certification:

Under penalty of absolute nullity, I hereby certify that no employee, official or director of PREPA is a party or has been granted any interest or payment by Consultant in the profits or benefits to be obtained under this Contract by Consultant or if any employee, official or director of PREPA has any interest in the profits or benefits under this Contract a waiver has been previously obtained. I, also certify that the only consideration to provide the services under this Contract to Consultant is the payment agreed with PREPA's authorized representative. The total amount of this invoice is fair and correct. The services were provided and no payment has been received for said concept.

 Contractor's Signature"

This is an essential requirement and those Invoices without this Certification will not be processed for payment. In order to comply with the certification requirements set forth above, Contractor shall require that subcontractors providing Services also make the certification set forth above in any invoices submitted in connection with the Services.

All Invoices have to be sent to the following address:

Puerto Rico Electric Power Authority,
Accounts Payable Section,
PO Box 70253,
San Juan, Puerto Rico 00936-0253

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ARTICLE 4: Commencement and Completion of Work

4.1 Inspection and Delivery

Unless mutually agreed, all works shall be completed as per schedule of proposed progress from the commencement date as established per Contract Release for all work to be performed. The commencement date will be the beginning date stated on the letter of mobilization.

4.2 Schedule of Proposed Progress

Contractor will use commercially reasonable efforts to perform the work in such a manner to meet PREPA's scheduling expectations, but PREPA waives any claim against Contractor related to delayed completion of the work.

4.3 Contract Term

This Contract shall be in effect for a period of twelve months beginning on the date on which parties sign the Contract and the Contractor receives the Deposit specified on Exhibit B (the "Original Term"). PREPA may extend the Original Term for additional periods on a month-to-month basis up to twelve (12) months by written amendment between the parties; provided, however, to the extent work performed concludes prior to a full month period, payment will be made for actual days worked.

ARTICLE 5: Suspension of Work

5.1 PREPA may, at any time, suspend the whole or any portion of the work under this Service Contract Order, by providing Contractor with a written notice stating the reasons for suspension at least five (5) days in advance of the day the suspension shall take effect. The right of PREPA to suspend the work shall not be construed as denying the Contractor all actual, reasonable and necessary costs and expenses due to the delays caused by such suspension.

5.2 Either Party may suspend the whole or any portion of the work under this Order by reason of the occurrence of a Force Majeure event as described in Article 10 herein.

5.3 In case of suspension of the work by PREPA for any reason, or in case the work is suspended in whole or in part due to the occurrence of a Force Majeure event, Contractor's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any such suspension. Contractor will also have the right to claim lost revenue standing time of manpower and equipment, and overhead costs.

A.P.

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- 5.4 If the suspension extends for more than fifteen (15) days, the Contractor shall have the right to an equitable adjustment to the amounts payable to Contractor and the Contract shall be modified in writing accordingly. If a suspension extends beyond thirty (30) days, Contractor has the right to terminate this contract.

ARTICLE 6: Methods and Data

PREPA reserves the right to review and approve all methods and data, which the Contractor develops hereunder. Such review or approval shall in no way relieve the Contractor from its responsibilities, obligations or liabilities under this Contract. The Contractor shall obtain such reviews or approval in writing from PREPA. The Contractor shall keep at the working area a copy of the Contract and its supplementary documents at all times, give the Engineer access thereto.

ARTICLE 7: Changes and/or Extra Work

PREPA may, at any time, by written order, make changes in the Services or work to be performed within the general scope of this Contract. These works assignment shall be agreed between Contractor and PREPA. The approval of this extra work is subject to PREPA's Project Manager. The Contractor shall work with PREPA to supply Emergency Crews for this purpose. Those Crews shall be independent of the Circuit Crews assigned to the scheduled circuit. All contractual specifications shall apply. If such changes cause an increase or decrease in Contractor's cost of, or time required for, performance of any services under this Contract, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly. Provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope or not reasonable for the completion of, Federal grant awards from the Federal Emergency Management Agency ("FEMA") or any other U.S. Federal agency.

ARTICLE 7A: Payment

Payment shall be Time and Materials at the rates set forth in the attached schedule of rates. Payment for work performed under the Contract shall not exceed the ceiling price specified in the attached schedule of rates. PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract ceiling price. The Contractor shall not be obligated to continue performance if to do so would exceed the ceiling price specified in the attached schedule of rates, unless and until PREPA notifies the Contractor in writing that the ceiling price has been increased and specifies in the notice a revised ceiling that shall constitute the ceiling price for performance under this Contract. When and to the extent that the ceiling price set forth in the attached schedule of rates has been increased, any hours expended and material costs incurred by Contractor in

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excess of the ceiling price before the increase shall be allowable to the same extent as if the hours expended and material costs had been incurred after the increase in the ceiling price.

ARTICLE 8: Inspection

During the progress of work, the Engineer or its authorized representatives shall make daily inspections to evaluate all assigned works as established and accepted by PREPA to ensure Contractor compliance with the power line specifications. All jobs shall be executed, performed and built in full compliance with PREPA's Electrical Codes and any other special requirement established previous the commencement of works. Job sites shall be marked with cones and signs visible from the nearest road to identify crew location.

All work performed by the Contractor is subject to inspection and approval by PREPA. PREPA to clearing identify and provide the required specification prior to commencement of work. Any work not meeting PREPA or generally accepted power line construction standards or turned in falsely will be redone at no cost to PREPA. If subsequent inspections are required alter the initial follow up the actual cost shall be billed to Contractor. The presence of PREPA personnel shall not in any way alter, modify, or lessen the obligation of the Contractor to comply with the requirements of this Contract. Any inspection by PREPA personnel shall not be considered as an acceptance of waiver of warranty or other rights of the work inspected.

 The Contractor shall promptly correct all work reasonably deemed by PREPA as failing to conform to the power grid construction specifications provided by PREPA to the Contractor pursuant to the previous paragraph. The Contractor shall promptly remedy the lack of performance and execute the work in accordance with the specifications, without expense to PREPA. If the Contractor fails to correct work deemed by PREPA within a reasonable time after notice has been given to the Contractor, PREPA may correct such work at the expense of the Contractor. Such expense may be deducted by PREPA from any payments due or to become due to the Contractor or, if final payment has been made, the Contractor shall reimburse PREPA such amounts.

Contractor will not be subject to compliance with any performance specification during the duration of this reconstruction work.

ARTICLE 9: Access to Work

- 1) The Contractor shall permit all persons appointed or authorized by PREPA to visit and inspect the work or any part thereof at all times and places during the progress of same.
- 2) Subject to appropriate safety considerations, the Contractor agrees to provide the FEMA Administrator or his authorized representatives' access to work sites pertaining to the work being completed under the Contract.


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ARTICLE 10: Force Majeure

Notwithstanding anything to the contrary herein contained, it is agreed that either party hereto will be relieved of its obligations hereunder in the event and to the extent that performance hereof is delayed or prevented by any cause beyond its control and not caused by the party hereto claiming relief hereunder, including, without limitation, acts of God, industrial disturbances, acts of the public enemy, war, blockages, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of services due to the acts or failure to act of any governmental authority, provided that these events, or any other claimed as a Force Majeure event, and/or its effects, are beyond the reasonable control and were not caused by the fault or negligence of the party claiming the Force Majeure event, and that such party, within ten (10) days after the occurrence of the alleged Force Majeure, gives the other party written notice describing the particulars of the occurrence and its estimated duration. The burden of proof as to whether a Force Majeure has occurred shall be on the party claiming the Force Majeure.

ARTICLE 11: Suspension of Payment

If Contractor fails in completing the work, or any separable part thereof, within the timeframe established in Article 4, Commencement and Completion of Work, PREPA may, as its option, retain that portion of the payment attributable to the non-conforming work until such service discrepancies have been corrected.

 In case of delay, the Contractor shall within ten (10) days from the beginning of any such delay notify the Engineer in writing of the causes of delay, who shall ascertain the facts and the extent of the delay and extend the time for completing the work when in his judgment the findings of facts justify such an extension, and his findings of facts thereon shall be final and conclusive on the parties hereto, subject only to appeal by the Contractor as provided in the ARTICLE 27, Disputes; provided that, no claim made by Contractor against PREPA, its agents, contractors, subcontractors, employees, successors, assignees, for any cause whatsoever, during the progress of any portion of the work embraced in the Contract shall relieve any of the parties from the performance of its obligations and of the work under this Contract, which shall not suffer any delay by reason of a claim being ascertained by either Party under this Contract.

ARTICLE 12: Insurance

The Contractor shall obtain and maintain in full force and effect during the life of this Contract and thereafter as provided herein, policies of insurance covering all operations engaged in by the Contract, which shall be formally agreed with insurance companies authorized to do business in Puerto Rico, and to that the effect it shall provide in original certificates of insurance and endorsements, as follows:

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A. Workers Compensation Insurance

The Contractor shall provide Workers Compensations Insurance as required by the Workmen's Compensation Act of the Commonwealth of Puerto Rico, or in case of emergency short term work, a policy from the contractor's state of operation shall be accepted. The Contractor shall be responsible for compliance with said Workmen's Compensation Act by all his subcontractors, agents, and invitees.

The Contractor shall furnish PREPA a certificate from the State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract.


B. Employer's Liability Insurance

The Contractor shall provide Employer's Liability Insurance with minimum bodily injury limits of \$1,000,000 for each employee and \$1,000,000 for each accident, covering against the liability imposed by Law upon the Contractor as a result of bodily injury, by accident or disease, including death arising out of and in the course of employment, outside of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.

C. Commercial General Liability Insurance

The Contractor shall provide a Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$1,000,000 aggregate. This Policy shall include a completed operations.

D. Automobile Liability Insurance

 The Contractor shall provide an Automobile Liability Insurance with limits of \$1,000,000 combined single limit covering all owned, non-owned and hired automobiles.

Requirements under the Policies:

The Commercial General Liability and Automobile Liability Insurance required under this Contract shall be endorsed to include:

- a. As additional insured:
Puerto Rico Electric Power Authority
Risk Management Office
PO Box 364267
San Juan, PR 00936-4267

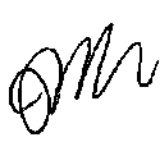
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- b. 30 day cancellation or nonrenewable notice to be sent to the above address.
- c. An endorsement including this Contract under contractual liability coverage and identifying it in number, date and parties to the contract.
- d. Waiver of Subrogation in favor of PREPA.
- e. Breach of Warranties or Conditions: "The breach of any of the Warranties or Conditions in this policy by the Contractor shall not prejudice PREPA's rights under this policy."

ARTICLE 13: Independent Contractor

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- 1) PREPA and the Contractor agree that Contractor's status hereunder and the status of any agents, employees and subcontractors engaged by the Contractor shall be that of an independent contractor only and not that of an employee, agent, director or officer of PREPA nor shall they be considered a public servant of neither PREPA nor the Commonwealth of Puerto Rico. The Contractor recognizes that its personnel shall not be entitled to employment benefits such as vacations, sick leave, retirement benefits and other benefits from PREPA because of its condition as an independent contractor. Neither the Contractor nor its personnel shall have any power or right to enter into contracts on behalf of PREPA. No provision of this Contract shall be deemed to create an employment relationship between Contractor or his employees and PREPA.
 - 2) The employees of Contractor engaged in performing services hereunder will be considered employees of Contractor for all purposes and will under no circumstances be deemed to be employees of PREPA. PREPA will have no supervisory power or control over any such Contractor's employees and any complaint or change in procedure will be communicated transmitted by PREPA to Contractor who will in turn promptly give any necessary instructions to its own personnel.
 - 3) Contractor will be responsible for the direct supervision of its employees through its designated representative and such representative will in turn, report to and confer with the designated agents of PREPA with respect to the services.
 - 4) Except as expressly provided otherwise in this Master Services Agreement, Contractor agrees to assume full and complete responsibility for any and all liability to its employees on account of injury, disability, and death resulting from, or sustained by said employees in the performance of the services defined herein.
 - 5) At PREPA's request, Contractor will immediately remove from service any employee whose acts or omissions will be a violation of applicable law or constitute a breach of this.
 - 6) Both parties agree to accept full and exclusive liability for the payment of any and all taxes, contributions, and other payments for unemployment compensation and/or pension benefits, Worker's Compensation, employers liability insurance or annuities

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now or hereafter imposed upon employers as applicable to them with respect to its employees and each party will make such payments and will make and file any and all reports and returns and take all other actions do all other things necessary to comply with the laws imposing such taxes, contributions, or other payments.

- 7) Contractor represents and warrants that the employees used in the performance of the services hereunder will have the qualifications, skills and experience necessary to perform the services and will have the work records as represented to PREPA.
- 8) In the performance of the Contract, Contractor will comply with all applicable statutes, regulations, ordinances pertaining to nondiscrimination in employment and facilities.

Contractor agrees to hold PREPA harmless and to indemnify and defend PREPA in full for any and all damages, claims, assessments, penalties, liabilities, charges, attorney's fees or other losses incurred during or following the term of this Contract, which result from any assertion, claim, determination or adjudication that Contractor or any of its employees are employees of PREPA, including, but not limited to, any claim, determination or adjudication made pursuant to the Internal Revenue Code, any of Puerto Rico Unemployment laws and regulations, Compensation Law, or any other federal, state or local wage, employment, insurance, labor and other laws, statutes, regulations and ordinances.

ARTICLE 14: Termination

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- 1) Notwithstanding anything to the contrary in this Contract regarding its term, PREPA may, at any moment, terminate, cancel or accelerate its expiration, after giving the Contractor not less than thirty (30) days prior notice, for any or no reason, when in PREPA's judgment such action responds to its best interest.
 - 2) PREPA may terminate this Contract (or any portion thereof) for any cause if Contractor (i) becomes insolvent, or (ii) in its material breach of the service obligation, which does not otherwise have a specified contractual remedy, and fails to cure the breach within thirty (30) days of notice from PREPA; or fails to commence to cure the material breach and diligently proceed with the cure if it is not possible to cure within thirty (30) days of such notice. If PREPA terminates the Contract, PREPA shall pay to the Contractor all portions of the work completed and for actual, reasonable, and necessary expenses caused by such termination, which shall apply in the case of Termination by either Party for any reason.
 - 3) If this Contract is so terminated, the Contractor shall be compensated for actual, reasonable, and necessary expenses, including reasonable demobilization costs caused by such termination. The exercise of PREPA'S right to terminate, cancel or rescind the Contract shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law for delays or breach incurred by the Contractor in the performance of its obligations under the Contract.

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- 4) Breach By PREPA. Upon written notice to PREPA from Contractor stating that PREPA is in material breach of the Contract, PREPA will immediately remedy such material breach. Where PREPA fails to remedy such material breach within ten (10) days or to promptly initiate and continue in good faith to remedy a material breach that cannot be reasonably remedied in ten (10) days, Contractor will have the right to terminate the Contract upon five (5) days' notice to PREPA. PREPA further agrees that if it commits a substantially similar material breach more than twice in any one (1) month period, regardless of remedy, Contractor will have the right to terminate the Contract upon notice to PREPA.

ARTICLE 15: Termination Settlement

- 1) If the Contract is terminated for any reason, the Contractor shall stop work as specified in the termination notice provided by PREPA, and shall be prohibited from incurring additional obligations of Contract funds. PREPA may allow costs that the Contractor could not reasonably avoid during the termination process to the extent that said costs are determined to be necessary and reasonable.
- 2) In the event of a termination, all work in process, finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, reports, property and any other items or deliverables prepared by the Contractor that would be furnished to PREPA, the Commonwealth of Puerto Rico, or the Federal government if the Contract had been fully performed shall, unless otherwise stated in writing by PREPA, become PREPA's property.
- 3) Following termination, the Contractor shall submit a final termination settlement proposal to PREPA in the form and with the certification prescribed by PREPA. The Contractor shall submit the final termination settlement proposal promptly, but no later than one year from the effective date of termination, unless extended in writing by PREPA upon written request of the Contractor within this one-year period. The Contractor and PREPA may agree upon the whole or any part of the amount to be paid or remaining to be paid because of the termination. The amount may include a reasonable allowance for profit on work done. However, the agreed amount may not exceed the total Contract price as reduced by (1) the amount of payments previously made and (2) the Contract price of work not terminated. The Contract shall be modified, and the Contractor paid the agreed amount.

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ARTICLE 16: Permits and Licenses

The Contractor shall obtain and maintain all the licenses, permits, and authorizations required to perform all services, works, operations and tasks under this Contract, and shall send all notices, pay all fees and related costs, and will comply and will have its subcontractors and agents comply with all laws, ordinances, rules, and regulations applicable to the work.

ARTICLE 17: Minimum Wage Rates

Laborers and other employees engaged under this Contract shall be paid not less than the minimum wages rates prescribed by law. PREPA may withhold from any monies due to the Contractor any sum necessary to make up the full amount of wages due under this Contract and may distribute it directly to those entitled thereto hereunder.

ARTICLE 18: Contingent Fees

The Contractor guarantees that he has not employed any person to solicit or secure this Contract upon any agreement for a commission percentage, brokerage or contingent fee. Breach of this guarantee shall give PREPA the right to annul the Contract or, at its discretion to deduct from the Contract price or consideration the amount of such commission, percentage, brokerage or contingent fees. This guarantee shall not apply to commission's payable by contractors upon contract or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE 19: Other Contracts

PREPA may award other contracts for additional work, and the Contractor shall fully cooperate with such other contractors of this Contract, and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Contractor shall not commit or permit any acts which interfere with the performance of work by any other Contractor.

ARTICLE 20: Official not to Benefit

No officer, employee or agent of PREPA, or of the Government of the Commonwealth of Puerto Rico or Municipal Governments, shall be admitted to any share or part of this Contract or to any benefit that may arise there from, but this provision shall not be construed to extend to this Contract if made with a corporation for its general benefit.

In addition to the restrictions and limitations established under the provisions of Act 1-2012, as amended, retired or former officers or employees of PREPA, whose


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work was in any way related to the award or management of contracts, shall in no way benefit from any contract with PREPA for a period of two (2) years after leaving employment with or ceasing services to PREPA.

ARTICLE 21: Conflict of Interest

The Contractor certifies that none of its representatives under this Contract receive payment or compensation of any nature, for services rendered regularly through an appointment to a governmental agency, body, public corporation or municipality of Puerto Rico. The Contractor also certifies that he may have consulting services contracts with other governmental agencies or bodies, but such condition does not constitute a conflict of interest for the Contractor.

The Contractor acknowledges that in executing the services pursuant to Contract it has a duty of complete loyalty towards PREPA which includes not having adverse interests to those of PREPA related to the services. Those adverse interests include representation of clients which have or may have opposed interests to those of PREPA in relation to the services. Also, the Contractor shall have the continuous obligation to disclose to PREPA all information and circumstances of its relations with clients and third persons and any interest which could reasonably influence PREPA when executing this Agreement or during its term.-

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- 1) The Contractor represents conflicting interests when on behalf of a client he must contend for that which it is his duty to oppose to comply with its obligations with another previous, present or potential client. Also, the Contractor represents conflicting interests when his conduct is described as such in the canons of ethic applicable to the Contractor and his personnel or in the laws or regulations of the Commonwealth of Puerto Rico.
 - 2) In the event that any of the partners, directors or employees of the Contractor should incur in the conduct described herein, said conduct shall constitute a violation to the prohibitions provided herein. The Contractor shall avoid even the appearance of the existence of conflicting interests.
 - 3) The Contractor acknowledges that the PREPA's Chief of Supply Chain Division and Contracting Officer shall have the power to intervene the acts of the Contractor and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. In the event that PREPA should discover the existence of adverse interests with the Contractor, the Chief of Supply Chain Division and Contracting Officer shall inform the Contractor, in writing, of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, the Contractor may request a meeting with the Chief of Supply Chain Division and Contracting Officer to present his arguments regarding the alleged conflict of interests, which meeting shall be granted by PREPA in every case of alleged conflict of interests. In the event that the Contractor does not request such a meeting during

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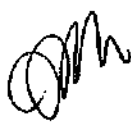
the specified thirty (30) day period or the controversy is not satisfactorily settled during the meeting, this Contract shall be cancelled.

- 4) The Contractor certifies that, at the time of award of this Contract, it does not have any other contractual relation that can enter in a conflict of interest with this Contract. The Contractor also certifies that no public employee has any personal or economical interest in this Contract.

ARTICLE 22: Claims for Labor and Materials

- 1) Conditions upon timely payment from PREPA pursuant to the terms of this Master Service Agreement, the Contractor shall, at his own expense, assume the defense of and save harmless PREPA from claims for labor and materials and not suffer any mechanics or other liens to remain outstanding against any of the property used in connection with the work; and shall, on request, furnish satisfactory evidence that all persons who have done work or furnished materials have been fully paid. If the Contractor fails to comply with his obligations in this respect, PREPA may take such liens or claims and may withhold from any monies due to the Contractor such amounts as may be necessary to satisfy and discharge any such claims and any cost and expenses incidental thereto.

ARTICLE 23: Unfair Labor Practice

- 
- 1) In the event that the Contractor or any of his subcontractors or agents do not comply with an order issued by the Puerto Rico Labor Relations Board and/or the National Labor Relations Board upon their finding that the Contractor or any of his subcontractors or agents have committed an unfair labor practice, no further payments shall be made by PREPA to the Contractor after the date of said order. In addition, the Contract may be terminated by PREPA, in which case PREPA may take possession of the materials, tools, and appliances on the job site and finish the work by whatever method it may deem expedient.
 - 2) Any declaration by the Puerto Rico Labor Relations Board and/or by the National Labor Relation Board that the contractors or agents have not complied with an order issued by the Board relating to any unfair labor practice, shall be binding, final and conclusive unless such order is reversed or set aside by a Court of competent jurisdiction.

ARTICLE 24: Novation

The Contractor and PREPA expressly agree that no amendment or change order which could be made to this Contract, during its term, shall be understood as a contractual novation, unless both parties agree to the contrary, specifically and in writing. This previous provision shall be equally applicable in such other cases where PREPA gives the Contractor a time extension for the compliance of any of its obligations under the

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Contract or where PREPA dispenses the claim or demand of any of its credits or rights under this Contract.


ARTICLE 25: Patents and Copyrights

The Contractor, at its own expense, shall defend any suit or action brought against PREPA based on a claim that any equipment or part thereof, copyright or uncopyrighted composition, secret process, patented or unpatented invention, article, or appliance manufactured or used in the performance of this Contract, including their use by PREPA, constitutes an infringement of any patents or copyrights of the United States, if notified promptly in writing by PREPA, and given the authority, information, and assistance for the defense of the same, and the Contractor shall pay all damages and costs awarded therein against PREPA. If, in such suit, the equipment or any part thereof, or the composition, secret process, invention, article or appliance is held to constitute infringement and its use is enjoined, the Contractor, at its option and expense, shall either procure for PREPA the right to continue using the same. Also, can replace it with non-fringing equipment, composition, secret process, invention, article or appliance, modify it so it becomes non-infringing or remove it and refund the purchase price.

ARTICLE 26: Waiver

No waiver of any breach of this Contract shall be held to be a waiver of any other subsequent breach.

ARTICLE 27: Disputes

 All disputes concerning questions of fact arising under this Contract shall be decided by PREPA's Transmission and Distribution Director within 10 days from the submission of the dispute by Contractor, subject to written appeal by Contractor to the Chief of Supply Chain Division and Contracting Officer within twenty (20) days. Within 10 days thereafter, the Chief of Supply Chain Division and Contracting Officer shall inform each party hereto of his decision regarding the dispute. Contractor, at its option, may elect to accept such decision or pursue remedies at law or equity. Contractor may pursue directly the remedies at law or equity for all disputes. Notwithstanding the terms above, each party has the right at any time, at its option and where legally available, to commence an action or proceeding in a court of competent jurisdiction.

ARTICLE 28: Payment to Contractor

Upon completion and acceptance of all work required hereunder, the amount due to the Contractor under this Contract will be paid upon the presentation of a properly executed and duly certified invoice therefore, after the Contractor shall have furnished PREPA with a release, if required, or all claims against PREPA arising under and by virtue of this Contract, other than such claims if any, as may be specifically excepted by the

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Contractor from the operation of the release in stated amounts to be set forth therein; provided that, the amount of such excepted claims is not included in the invoice for final payment.

All invoices submitted by the Contractor shall be subject to PREPA's approval before being paid, and its payment shall be done within three (3) days after the date of its approval by PREPA. All invoices submitted by the Contractor shall include the Certification established in Article 3, Consideration, in order to proceed with its payments.

ARTICLE 29: Compliance with Laws, Regulations, and Executive Orders

The Contractor acknowledges that starting on October 25, 2017, FEMA financial assistance will be used to fund this Contract. From and after this date, the Contractor shall comply with applicable Federal and Commonwealth of Puerto Rico laws, regulations, executive orders, policies, procedures, and directives, including but not limited to the Federal Cost Principles set forth in 2 C.F.R. Part 200 for Contractor's material costs, and applicable FEMA regulations in 44 C.F.R. Chapter I. Any failure to secure approvals or funding from FEMA or some other source (except due to the Contractor's sole fault) shall not relieve PREPA from its obligations for payment under this Contract.

ARTICLE 30: Debarment, Suspension, and Ineligibility

- 
- 1) The Contractor represents and warrants that the Contractor, its principals, and affiliates have not been debarred, suspended, or placed in ineligibility status under the provisions of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000 (government debarment and suspension regulations). The Contractor represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Contract, the Contractor will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The Contractor shall require all subcontractors at every tier to comply with this requirement.
 - 2) This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000, in addition to remedies available to the Commonwealth of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

ARTICLE 32: Records Retention


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The Contractor agrees to maintain all books, records, accounts and reports and all other records produced or collected in connection with this Contract for a period of not less than three (3) years after the date of final payment and close-out of all pending matters related to this Contract. If any litigation, claim, or audit is reasonably anticipated to arise or is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

ARTICLE 33. Clean Air Act and the Federal Water Pollution Control Act.

The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The Contractor agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to the Commonwealth of Puerto Rico, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.

ARTICLE 34. Change in Law

 During the term of this Contract, if there is any change in law, including, but not limited to changes in applicable tax law, which causes an increase in Contractor's costs when supplying the products or services to be acquired by PREPA, Contractor and PREPA shall use commercially reasonable efforts to resolve the situation, including, but not limited to, revising the applicable rates.

ARTICLE 35: Choice of Law

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the contracting parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing parties may have among them regarding the terms and conditions of this Contract.

ARTICLE 36: Separability

If a court of competent jurisdiction declares any of the Contract provisions as null or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of the Contract and the parties agree to comply with their respective obligations under such provisions not included by the judicial declaration.

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ARTICLE 37: Correlation of Documents

In case of discrepancy or in the event of any conflict among the different Contract documents such as: Contract, Scope of Services, Código Construcción Eléctrica, Appendixes, and Contractors Proposal per Contract Release, these shall take precedence in the order given. The terms and conditions contained in the Contract shall prevail over any conflictive terms and conditions contained in the Contractors Proposal and any other document expressly referenced in this Contract.

ARTICLE 38: Notice

- 1) PREPA agrees to give the Contractor immediate notice of any and all claims for which the Contractor may be liable, and the Contractor agrees to give PREPA immediate notice of any and all claims for which PREPA may be liable.
- 2) Any notice to be given hereunder shall be in writing and will be sufficiently served when delivered in person or properly mailed or emailed to the following addresses:

To PREPA: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267
Email: ramón.caldas@prepa.com
Attention: Eng. Edgardo L. Rivera Alvarado

To Contractor: Cobra Acquisitions LLC
14201 Caliber Drive, Suite 300
Oklahoma City, Oklahoma 73134
Email: mlayton@mammothenergy.com
Attention: Legal Department

ARTICLE 39: Puerto Rico Treasury Department Withholding

PREPA will deduct and withhold at the source to PREPA Net the equivalent of seven percent (7%) from payment for services rendered in Puerto Rico under this Agreement, in compliance with the New Puerto Rico Internal Revenue Code, Law 1-2011, Section 1062.03, as amended. Notwithstanding, the withholding to be done by PREPA as herein stated could be increased to: twenty percent (20%) in the event that PREPA Net is a non-resident individual, which is a U.S. citizen, as provided by the New Puerto Rico Internal Revenue Code, Section 1062.08; or twenty-nine percent (29%) in the event that PREPA Net is a non-resident and non U.S. citizen individual; or a foreign corporation or partnership which is not dedicated to industry or business in Puerto Rico, as provided by the New Puerto Rico Internal Revenue Code, Section 1062.08.

If a Release Letter has been issued to PREPA Net by the Treasury Department, PREPA Net shall be responsible to submit a copy of said Release Letter to PREPA for

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every calendar year; otherwise, payments under the Agreement shall remain subject to withholding at the source. All invoices shall be segregated by concepts (services, materials, equipment, etc.), to identify the amounts subject to withholding, and avoid undue deductions.

PREPA will deduct and withhold a Special Contribution to PREPA Net the equivalent of one point five percent (1.5%) from payment for services under this Agreement, in compliance with Article 1, Act 48-2013. PREPA shall forward such amounts to the Department of Treasury of Puerto Rico, and shall deliver evidence to PREPA Net of such payments. All amounts withheld pursuant to this clause shall be reimbursed by PREPA to Contractor. Contractor shall include any such reimbursement request as a separate miscellaneous line item on the applicable request for payment.


ARTICLE 40: Discrimination

The Contractor certifies that it is an equal opportunity employer, and does not discriminate by reason of race, color, gender, age, national or social origin, social status, political ideas or affiliation, religion; for being or perceived to be victim or domestic violence, sexual aggression or harassment; for physical or mental disability or veteran status.

ARTICLE 41: Other Taxes

All unemployment, retirement, and other Social Security contributions and taxes; all sales, use and excise, privilege, business and occupational taxes, and any other taxes or fees payable by the Contractor are and shall be included as part of his prices.

ARTICLE 42: Quality Assurance

 The Contractor shall use commercially reasonable efforts to establish an adequate quality control program to satisfy all applicable regulation and requirements specified in the procurement documents. The program shall contain all those measures necessary to assure that all basic technical requisites are fulfilled.

PREPA reserves the right to conduct audits and inspections to the facilities, activities, and/or documents; limited to inspection and quality control documents that are strictly related to and relevant to the performance of Contractor's activities under this Contract; when estimated necessary in order to assure that the quality control program is adequate and is being properly implemented. The Contractor shall provide PREPA access to its facilities and documents; limited to inspection and quality control documents that are strictly related to and relevant to the performance of Contractor's activities under this Contract; so that PREPA, through audits and inspections can verify the quality of the purchased products or services.

ARTICLE 43: Code of Ethics

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Contractor agrees to comply with the provisions of Act of June 18, 2002, No. 84, which establishes a Code of Ethics for the Contractors, Suppliers and Economic Incentive Applicants of the Executive Agencies of the Commonwealth of Puerto Rico.

ARTICLE 44: Complete Agreement

This document, together with all attachments referenced herein, constitutes the complete Agreement between the parties.

ARTICLE 45: Transfer of Funds

If Contractor decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Contract, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.

Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Contractor owes; PREPA may retain any said amount if Contractor fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Contractor also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Contractor is entitled to under this Contract.

Contractor shall include with its notice of assignment of funds a cashier's check or money order for two hundred dollars (\$200), payable to "Puerto Rico Electric Power Authority", to cover administrative costs in processing such assignment.

ARTICLE 46: Safety Provisions

The Contractor shall comply with all applicable parts of this Safety Provisions according to the scope of the project. The Contractor shall comply with all applicable federal, state, and local laws, regulations, orders, or decrees in effect during the period of performance. Almost all of the requirements of this Section are not applicable to the scope of Contractor's Work. Contractor will provide information responsive to any applicable portions.

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- 1) The Program shall comply with the following minimum requirements of a health and safety program, according with the scope of the project including, but not limited to:
 - i. Occupational Exposure to Noise (29 CFR 1910.95)
 - ii. Hazardous Materials (29 CFR 1910 Subpart H)
 - iii. Personal Protective Equipment (29 CFR 1926 Subpart E)
 - iv. Hazard Communication (29 CFR 1910.1200)
 - v. Fire Protection (29 CFR 1910 Subpart L)
 - vi. Electrical work (29 CFR 1926 Subpart K)
 - vii. Tools, Hand and Powered (1926 Subpart I)
 - viii. Lockout/Tag out (29 CFR 1910.147)
 - ix. Portable Ladders
 - x. Electric Power Generation, Transmission and Distribution (29 CFR 1910.269)
- 2) The Program shall be revised annually.
- 3) It shall include an accident or incident investigation procedure. This procedure will always include the preparation of a report, which will be submitted within five days after accident to the Safety Division of PREPA.
- 4) The Contractor shall include a Safety Officer.
- 5) Safety inspections and work permit system shall be included.
- 6) Before commencement of work, the Contractor shall take part in a coordination meeting with a Safety Officer and the project manager on PREPA's behalf. During this meeting the areas to be worked on will be toured, the site-specific work plan will be discussed and reviewed, and amendments to it could be required.
- 7) The Contractor shall submit, prior to commencement of the work, for evaluation by the Safety Division the following:
 - a. A Site Specific Work Plan including: the scope of work, description of the activities to be done, special safety and health considerations to be addressed before commencement of the project, safety procedures to be applied and used during the project specially for excavations, work zone protection, scaffolding and crane operations. It shall also include any other regulation or guidelines related to safety and health that could be applicable to the scope of work, contingency procedures that include how to proceed in an emergency situation, such as fire or chemical spill, among others. Also, identify medical services in the municipality of work to maintain communication in case of any medical emergency.
 - b. A list of all specialized personnel needed. Also, include copy of all training certificates, licenses or certifications required, according to the scope of work. For example: tree trimming, crane operator, pesticide applicator, electrician,

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- spill responder, excavations competent person, DOT training for hazardous substances, etc. All these certificates and licenses shall be up to date.
- c. Copy of the Safety Data Sheets (SDS) of all chemical products to be used during the project, for evaluation and approval by the Occupational Safety Division at PREPA (Hazard Communication Section).
 - d. Certification of compliance with medical surveillance requirements, according to scope of work.
 - e. Certification of compliance with Fit Test requirements for the use of negative pressure respirators if applicable.
 - f. Certification of training for the use of personal protective equipment.
- 8) Each Contractor/Subcontractor shall adhere to a 100% drug /alcohol free work zone.
- 9) The Contractor shall be responsible for maintaining good housekeeping in the work, rest, lunch and toilet areas and under reasonably sanitary conditions.
- 10) If the contracted services include demolition activities (as defined per ANSI A10.6 – 1990: Demolition – the dismantling, razing or wrecking of any fixed building or structure or any part thereof) that will be carried out in buildings or structures, that because of their construction date or prior use, are suspected to contain asbestos, lead based paint or other hazardous materials, the contractor will require a certification from the project manager or owner stating that the building or structure is free of such materials.
- 11) Services including activities inside buildings occupied by working personnel, that could create a hazard to their safety or health, will be offered after PREPA'S working hours. The exception will be if the contractor could take all the necessary precautions to protect PREPA's employees and the public from any possible hazard caused by the work. The Contractor will take all steps necessary to assure the area will be free of nuisance odors or vapors before PREPA's personnel is to reoccupy. All these will be done in coordination with the local supervisor of PREPA.
- 12) The Contractor shall assure that all wastes generated by Contractor as a part of the Work are removed and properly disposed of, in accordance with all applicable laws and regulations, at the end of every work shift and after the completion of the project.
- 13) All non-contained chemical products to be used shall be classified as Approved or Conditionally Approved by PREPA's Hazard Communication Section.
- 14) Welding operations will comply with the requirements of OSHA, ANSI and NFPA.
- 15) If the project involves the handling of non-asbestos insulation or other dust generating materials, like gypsum board, steps shall be taken to prevent the release of the dust to adjacent areas.

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- 16) The Contractor shall take all reasonable precautions for the safety of, and shall provide all reasonable protection to prevent damage, injury or loss to all employees on the work site and all other persons who may be affected. This shall include property, material and equipment on or off the site, under the care, custody or control of the Contractor or any of the subcontractors.
- 17) The Contractor shall comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. Shall erect and maintain, as required by existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities.
- 18) If near populated areas, any excavation made by the contractor shall be covered, protected or barricaded after work hours or if it will be left unattended.
- 19) The contractor shall notify and coordinate any excavation with the "Centro de Coordinación de Excavaciones y Demoliciones" if applicable.
- 20) The work zone near any public road shall be protected using, signs, cones, barricades, etc. in accordance with the MUTCD and DOT. In this conditions, any employee in or around the work zone shall use a reflective vest in accordance with MUTCD.
- 21) Access to the work zone shall be prohibited to any person not related to the project by means of signs, barricades, fences or a combination of them.
- 22) The Contractor shall designate an employee as their safety officer for the project. The duties of the safety officer could be in addition to his/her normal duties. The safety officer shall be in charge of the prevention of accidents and the implementation of the Safety and Health Program Plan and the Site-specific Plan in coordination with PREPA's Safety Officer, Project Manager and Resident Engineer. The contractor safety officer shall have a basic training of 30 hours in Occupational Safety and Health Standards for Construction Industry from an approved OSHA Training Center. Evidence of the training shall be submitted if requested by PREPA.
- 23) Compliance with all safety provisions by subcontractors shall be the responsibility of the Contractor.
- 24) Contractor agrees that it shall perform all work in compliance with federal, state and local occupational safety and health regulations, as described in the Site Specific Work Plan.

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25) Contractor will obtain and maintain, during the duration of the project, the proper permits from all federal, state and local regulatory authorities or other applicable government agency with respect to discharge, disposal, use, storage, handling and transportation of hazardous chemicals and substances as and when applicable law or regulation requires. For projects including the handling of asbestos, lead, or spilled hazardous substances, the notification to EPA or the EQB will be done by the Contractor, but in coordination with the Safety Officer and the Environmental Advisor or Officer.

26) Contractor will not cause or permit any hazardous chemical or product containing a hazardous chemical to be at, or in the vicinity of, any place where any employee, agent, or contractor of Puerto Rico Electric Power Authority, or any employee of any such agent or Contractor, may be at risk or exposed to hazard as a result thereof during normal use or any foreseeable emergency.

ARTICLE 47. Contract Validity

If one or more clauses of the contract are declared invalid, void, unenforceable or illegal, that shall not affect the validity of the remaining portions of the Contract, which shall remain in full force and effect.

ARTICLE 48. Save and Harmless Clause

 PREPA and the Contractor shall jointly save and hold harmless and to indemnify, one another from and against any and all liabilities, claims, demands, suits, losses, damages, costs and expenses (including reasonable attorney fees and court costs) for bodily injury to or death of any third person, or damage to or destruction of any property of third party, caused by any negligent act or omission on the part of the indemnifying party its officers, employees, contractors or agents, except to the extent such liabilities, claims, suits, losses, damages, costs and expenses result from any negligent or willful act or omission on the part of the indemnified party, its officers, employees, contractors or agents in the performance or failure to perform its obligations under the Agreement.

ARTICLE 49. Warranty

Contractor warrants that it shall perform the Services in accordance with the applicable standards of care and diligence at the time of performance of the Services, and which are normally practiced and recognized in performing services of a similar nature (the "Standard"). Should any of the Services provided by Contractor not fulfill the above established Standard, Contractor shall take all necessary corrective measures to rectify such deficient Services, at its own and exclusive cost, whenever such course of action is possible or desirable. The rectification of deficient Services by Contractor shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract

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or under the law or equity for any damages that Contractor's may have caused to it by rendering such deficient Services.

ARTICLE 50. Authority

PREPA represents and warrants to Contractor that it has authority to enter into this Contract with Contractor, including, but not limited to with respect to the Government Oversight Board and all other relevant authorities.

ARTICLE 51. Time and Materials

PREPA will pay Contractor upon the submission of invoices approved by PREPA as follows:

51.1 Labor: Payments for labor shall be computed by multiplying the minimum daily rate prescribed in the attached schedule of rates set forth on Exhibit B by the number of days. The daily rates shall include wages, indirect costs, general and administrative expense, and profit.

51.2 Materials: PREPA will reimburse Contractor for allowable cost of materials, including direct materials, subcontracts for supplies and incidental services for which there is not a labor category specified in the Contract, other direct costs (e.g., incidental services for which there is not a labor category specified in the contract, travel, computer usage charges, etc.), and applicable indirect costs in accordance with the terms set forth on Exhibit C.

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ARTICLE 52. Waiver of Consequential Damages and Limitation of Liability

In no event shall either party be liable to the other, or their respective employees, subcontractors and/or agents, or any third party, for any indirect, incidental, special, consequential, punitive damages, or lost profits for any claim or demand of any nature of kind arising out of or in connection with this Master Service Agreement or the performance or breach thereof and regardless of whether any such claim arises out of breach of contract or warranty, tort, negligence, product liability, misrepresentation, indemnity, contribution, strict liability, equity, or any other legal theory, even in the parties are advised of the possibilities of such damages.

Notwithstanding anything to the contrary contained in this Contract, the total aggregate liability of Contractor with respect to all claims of any kind whether in contract, warranty, indemnity, tort (including negligence), or other contractual or extra contractual liability of any nature, strict liability, or otherwise, and under any system, theory or principle of law, arising out of the performance or breach of this Contract, or relating to the Services, shall in no event exceed the lesser of (a) \$20,000,000, and (b) aggregate amount of all payments made to the Contractor under this Contract.

ARTICLE 52. Modification of Exhibit B and Exhibit C

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Contractor and PREPA may supplement or amend the rates set forth on Exhibit B and Exhibit C by written amendment between the parties.

ARTICLE 53: Provisions Required By Law Deemed Inserted

If, through mistake or otherwise, any provision required by FEMA is not contained herein, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction. If PREPA fails to specifically identify the legal provision to be incorporated into in this Agreement, Contractor shall not be deemed to be in default until such time as PREPA identifies said provision and allows Contractor reasonable time to comply with same, and if compliance results in additional costs to Contractor, an equitable adjustment shall be made to the amounts payable to Contractor.


ARTICLE 54: U.S. Department of Homeland Security Seal, Logo, and Flags

The Contractor shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

ARTICLE 55: No Obligation by the Federal Government

The Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from the Contract.

ARTICLE 56: Modifications and Amendments

 No amendment to or modification or other alteration of the Contract shall be valid or binding upon the parties unless made in writing, signed by the parties and, if applicable, approved by the Commonwealth of Puerto Rico.

ARTICLE 57: Assignment

The Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of PREPA.

ARTICLE 58: Subcontracting

The Contractor may not subcontract any of the Services that it has committed to perform or provide pursuant to this Contract without the prior written approval of PREPA, which consent can be provided via email. Such approvals shall not be unreasonably withheld. Such consent to subcontract shall not relieve the Contractor of its full responsibilities under this Contract. Consent to the subcontracting of any part of the services shall not be construed to be an approval of said subcontract or of any of its terms, but shall operate only as an approval of the Contractor's request for the making of a subcontract between the Contractor and its chosen subcontractor. The Contractor

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shall be responsible for all services performed by the subcontractor and all such services shall conform to the provisions of this Contract.

ARTICLE 59: Access to Records

- 1) The Contractor agrees to provide PREPA, the Commonwealth of Puerto Rico, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions, during Contractor's performance of the Contract and for up to three (3) years after Contractor's receipt of final payment under the Contract. In no event shall PREPA, the Commonwealth of Puerto Rico, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives have the right to audit or review the cost and profit elements of the labor rates specified herein.

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- 2) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

ARTICLE 60: Program Fraud and False or Fraudulent Statements or Related Acts

The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this Contract.

ARTICLE 61: Procurement of Recovered Materials

In the performance of this Contract, the Contractor shall make maximum use of products containing recovered materials that are Environmental Protection Agency ("EPA")- designated items unless the product cannot be acquired—(i) Competitively within a timeframe providing for compliance with the Contract performance schedule; (ii) Meeting Contract performance requirements; or (iii) At a reasonable price. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

ARTICLE 62: Compliance with the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708) as supplemented by Department of Labor regulations (29 CFR part 5)

- 1) **Overtime.** In accordance with and subject to the provisions of the Contract Work Hours and Safety Standards Act, all laborers (including watchmen and guards) and mechanics employed by the Contractor or subcontractors shall receive overtime compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in a workweek. The Contractor and subcontractors shall comply with all regulations issued pursuant

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to the Contract Work Hours and Safety Standards Act, and with other applicable Federal laws and regulations pertaining to labor standards.

- 2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (a) of this section the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States and/or Commonwealth of Puerto Rico for liquidated damages of \$10 for each calendar day a laborer or mechanic worked more than the standard forty-hour workweek without receiving overtime pay. Such liquidated damages will be calculated separately for each laborer or mechanic that worked more than of forty hours in a week without receiving overtime wages as required under paragraph (a) of this section.
- 3) **Withholding for unpaid wages and liquidated damages.** The Commonwealth of Puerto Rico shall upon its own action or upon written request of an authorized representative of the United States Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b) of this section.
- 4) **Subcontracts.** The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a) through (d) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime Contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a) through (d) of this section.

ARTICLE 63: Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification attached as Appendix A to this Contract. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to PREPA and the Commonwealth of Puerto Rico.


ARTICLE 64: Reporting Requirements

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The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.

ARTICLE 66: Equal Opportunity


During the performance of this contract, the Contractor agrees as follows:

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- 1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
 - 2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
 - 3) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
 - 4) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' representative of the Contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - 5) The Contractor will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.

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- 6) The Contractor will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by [contracting agency or municipality], the Commonwealth of Puerto Rico, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
 - 7) In the event of the Contractor's non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
 - 8) The Contractor will include the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

ARTICLE 67: FEMA Disaster Assistance Survivor/Registrant Data.

- 1) If the Contractor has access to Disaster Assistance Survivor/Registrant data, or any other personally identifiable information, the Contractor shall comply with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Commonwealth Agreement for FEMA-4339-DR-PR (attached as Exhibit B).
- 2) The Contractor shall indemnify, defend, and hold harmless PREPA and the Commonwealth of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys' fees, settlements, or adverse judgments arising from the Contractor's failure to comply with the requirements of Exhibit B.

ARTICLE 68: Penalties, Fines, and Disallowed Costs.


By executing this Contract, PREPA hereby represents and warrants that FEMA has reviewed and approved of this Contract, and confirmed that this Contract is in an acceptable form to qualify for funding from FEMA or other U.S. Governmental agencies.

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If, as a result of any uncured violation of applicable law by Contractor, any U.S. Federal agency or the Commonwealth of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Contractor, the Contractor shall be responsible for such penalty, disallowed costs, or repayment demand to the extent of its fault and/or responsibility, and shall reimburse PREPA in full within ten (10) days of determination of its appropriate share of such penalty, disallowance, or repayment demand. Any monies paid by the Contractor pursuant to this provision shall not relieve the Contractor of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract.

ARTICLE 69: Compliance with Commonwealth of Puerto Rico Contracting Requirements

The Contractor shall comply with applicable Commonwealth Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico. Particularly: Act No. 237-2004 as amended that establishes uniform contracting requirements for professional and consultant services for the agencies and governmental entities of the Commonwealth of Puerto Rico and the Puerto Rico Department of Treasury Circular Letter Number 1300-16-16. Available at: <http://www.hacienda.pr.gov/publicaciones/carta-circular-num-1300-16-16>. Subject to the availability of the respective Government of Puerto Rico Department Offices, the Contractor shall provide the following certifications and sworn statement as applicable in a term of fifteen (15) days after the execution of this Contract:

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- 1) An Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Cobra Acquisitions LLC has filed his Income Tax Return for the last five (5) years.
 - 2) Certification issued by the Treasury Department of Puerto Rico which indicates that it does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms.
 - 3) Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues.
 - 4) Certification issued by the Treasury Department of Puerto Rico which indicates that it does not owe Puerto Rico Sales and Use Taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms.
 - 5) Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Cobra Acquisitions LLC does not owe any tax to such governmental agency.
 - 6) Certification issued by Municipal Revenues Collection Center (MRCC) demonstrating that Cobra Acquisitions LLC has filed the Personal Property Tax Return to such governmental agency. Additionally, if Cobra Acquisitions LLC does not own personal property in the Commonwealth of Puerto Rico, Cobra Acquisitions LLC shall provide a sworn statement which states that:
 - a) Its income is derived and paid for professional services (explain the nature of such services);

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- b) During the last five years, Cobra Acquisitions LLC has not owned personal property in the Commonwealth of Puerto Rico;
- c) For the reasons above stated, Cobra Acquisitions LLC is not required to file Personal Property Tax in the Commonwealth of Puerto Rico as established in Article 6.03 of Act 83 of August 1991 and therefore a Personal Property Tax file does not exist for Cobra Acquisitions LLC in the MRCC.
- 9) Certification, issued by the Department of Labor and Human Resources of Puerto Rico, assuring that Cobra Acquisitions LLC has paid to the Department of Labor and Human Resources of Puerto Rico its employees' contribution, in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness, or social security for chauffeurs); or is paying such contribution by an installment plan in full compliance with its terms.
- 10) Certification, issued by the Child Support Administration, assuring that the Cobra Acquisitions LLC is in compliance with the withholdings required by ASUME.
- 11) Copy of the Merchant's Registration Certificate.
- 12) A sworn statement to the effect that, as of the Effective Date, neither Cobra Acquisitions LLC nor its president, vice-president, directors, executive director, members of its board of directors or board of officers, nor any of its officials or persons performing equivalent functions for the Cobra Acquisitions LLC; nor its subsidiaries or alter egos have been convicted of, nor have they pled guilty, in Puerto Rico, in the federal jurisdiction, in any state or territory of the United States of America or in any country, to any crime as enumerated in Article 3 of Public Law 458 of December 29, 2000 of the Commonwealth of Puerto Rico, as amended. In accordance with Article 6 of Public Law 458 of December 29, 2000 of the Commonwealth of Puerto Rico, as amended, Cobra Acquisitions LLC acknowledges that its conviction or guilty plea for any of the crimes as enumerated in Article 3 of such Act shall entail, in addition to any other applicable penalty, the automatic rescission of this Contract. In addition, but only to the extent required by Public Law 458, PREPA shall have the right to demand the reimbursement of payments made pursuant to this Contract that directly result from the committed crime.
- 13) Good Standing Certificate and Certificate of Authorization to do business in Puerto Rico, both issued by the Department of State of Puerto Rico (called "Certificado de Good Standing" in the website) or its equivalent.
- 14) Compliance with Act No. 1 of Governmental Ethics: The Contractor will certify that it is in compliance with Act 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which, stipulates that, no employee or executive of the Contractor, nor any member of his/her immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;
- 15) Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: The Contractor will certify that if there is any Judicial or

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Administrative Order demanding payment or any economic support regarding law number 168-2000 as amended the same is current and in all aspects in compliance. Act 168-2000 "Law for the Strengthening of the Family Support and Livelihood of Elderly People" in Spanish: "Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada", 3 L.P.R.A. §8611 et seq.

16) Law Num. 127, May 31, 2004: Contract Registration in the Comptroller's Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.

17) Thirty-Days for Compliance. The Emergency Order provides that all Agencies or Municipalities of the Commonwealth of Puerto Rico will have 30 days after the state of emergency is finished to register the signed document to the Office of the Comptroller of the Government of Puerto Rico. Executive Order OE-2017-053.

18) Law Num. 84 June, 2012 Code of Ethics for Contractors, Suppliers and Seekers of Economic Incentives of the Executive Agencies of the Commonwealth of Puerto Rico: No employee or officer of PREPA as well as any member of their families can have any interest in the earnings or benefits from this Contract, according with Law No. 84, June 18, 2002. The Contractor acknowledges that it must read the Ethics Code for Contractors, Suppliers, and Applicants of Economic Incentives from the Government of Puerto Rico Agencies known in Spanish as Código de Ética para Contratistas, Suplidores y Solicitantes de Incentivos Económicos de las Agencias Ejecutivas de Puerto Rico. Such law can be found at: <http://www.lexjuris.com/lexlex/leyes2002/lexl2002084.htm>. The Contractor certifies that it will read such law and that in the event it cannot access the online version it will notify the Agency of Municipality in order to obtain printed copy of the law. Failure to require printed copy of the law to the Agency of Municipality will be evidence that the Contractor was able to find it online and read it as required.

19) Consequences of Non-Compliance: The Contractor expressly agrees that the conditions outlined throughout Article 69 are essential requirements of this Contract; consequently, should any one of these representations, warrants, and certifications be incorrect, inaccurate or misleading, in whole or in part, and should such non-compliance not be cured within thirty (30) days, there shall be sufficient cause for PREPA to terminate this Contract.

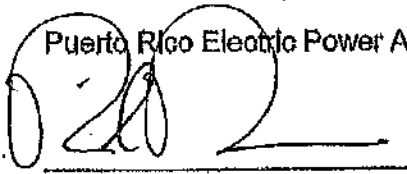
Article 70. Entire Agreement

The terms and conditions contained herein constitute the entire agreement between PREPA and the Contractor with respect to the subject matter of this Contract, and supersede all communications, negotiations, and agreements of the parties, whether written or oral, other than these, made prior to the signing of this Contract.

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IN WITNESS WHEREOF, the Parties hereto have executed this Contract this 19TH day
of October of 2017, in San Juan, Puerto Rico.

Puerto Rico Electric Power Authority



Ricardo Luis Ramos Rodriguez
Executive Director
Employer Social Security 660-43-3747

Cobra Acquisitions LLC



Arty Straehle
Chief Executive Officer
Employer Social Security XXXXXXXXXX

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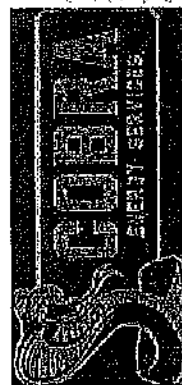
EXHIBIT A

Contractor's Proposal

See Attached

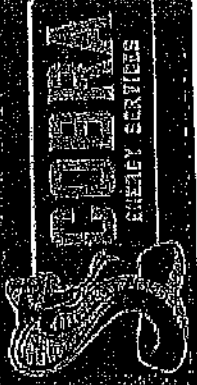


Puerto Rico Restoration Efforts
Turnkey package - October 2017



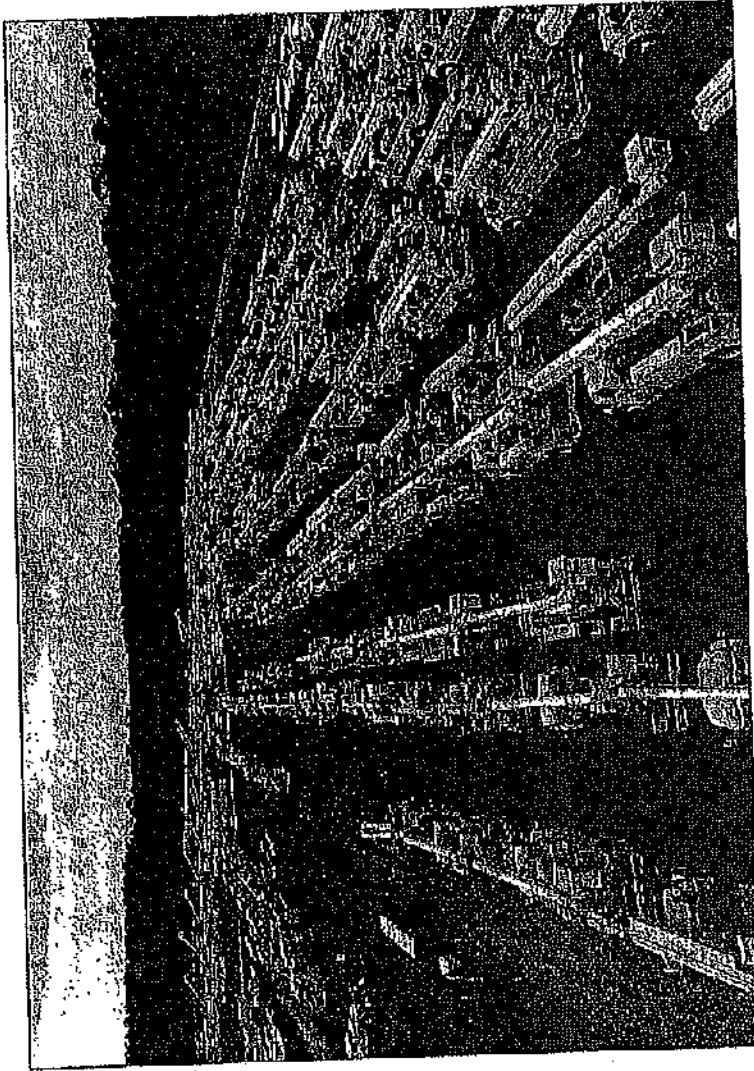
mm

Cobra Resources

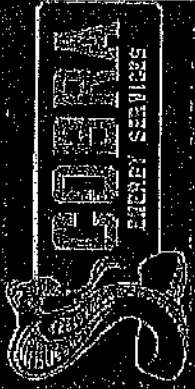


Restoration efforts during Harvey and Irma

- Utility Construction resources staged during restoration efforts for Harvey and Irma
- Resource available
 - Transmission
 - Distribution
 - Substation
 - Engineering



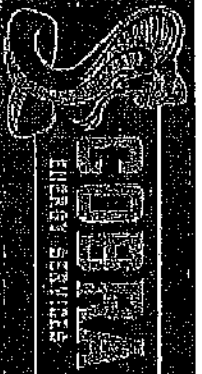
Offering



- Construction Resources to provide the damage assessment
- Engineering to meet PREPA design requirements
- Construction resources to reconstruct the PREPA GRID
- Turnkey solution, Cobra shall provide all operational and life support required to operate within the disaster area without creating additional strain upon the local population.

A handwritten signature in black ink, appearing to be 'DM'.

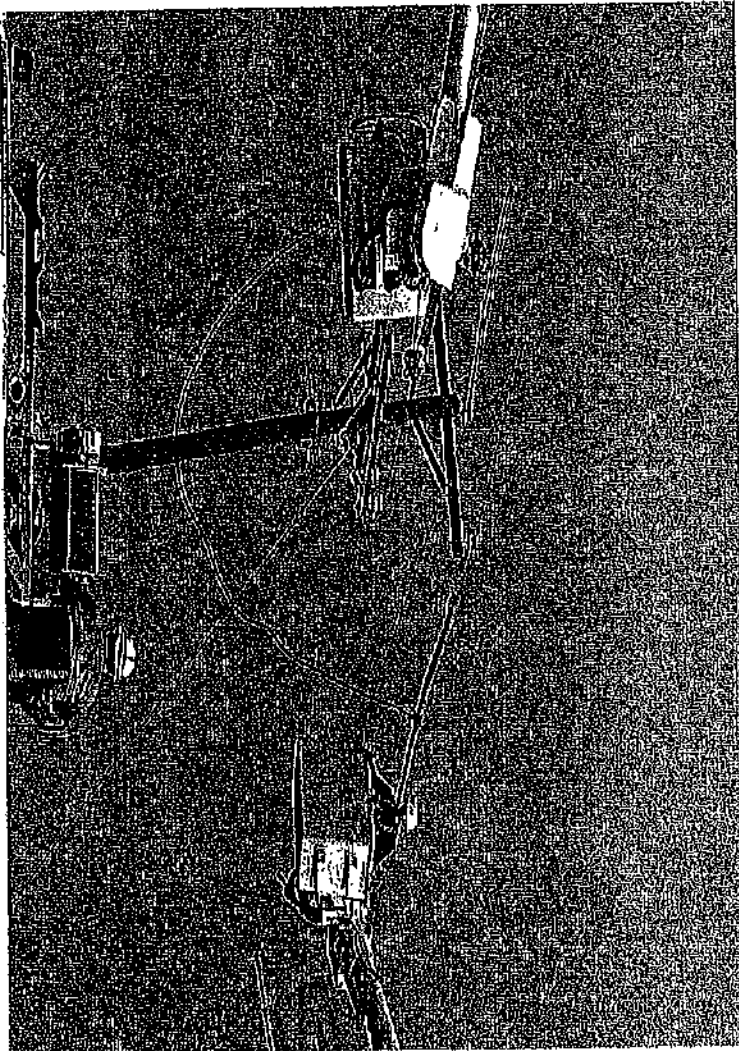
Distribution Crews



Capabilities

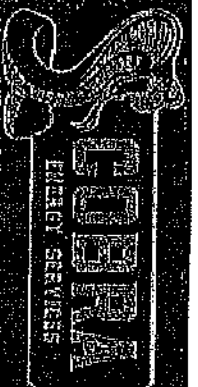
- 34.5kv – 2.5kv
- Service Repair
- Re-conductor
- Complete capital construction efforts
- O&M

Restoration During Harvey



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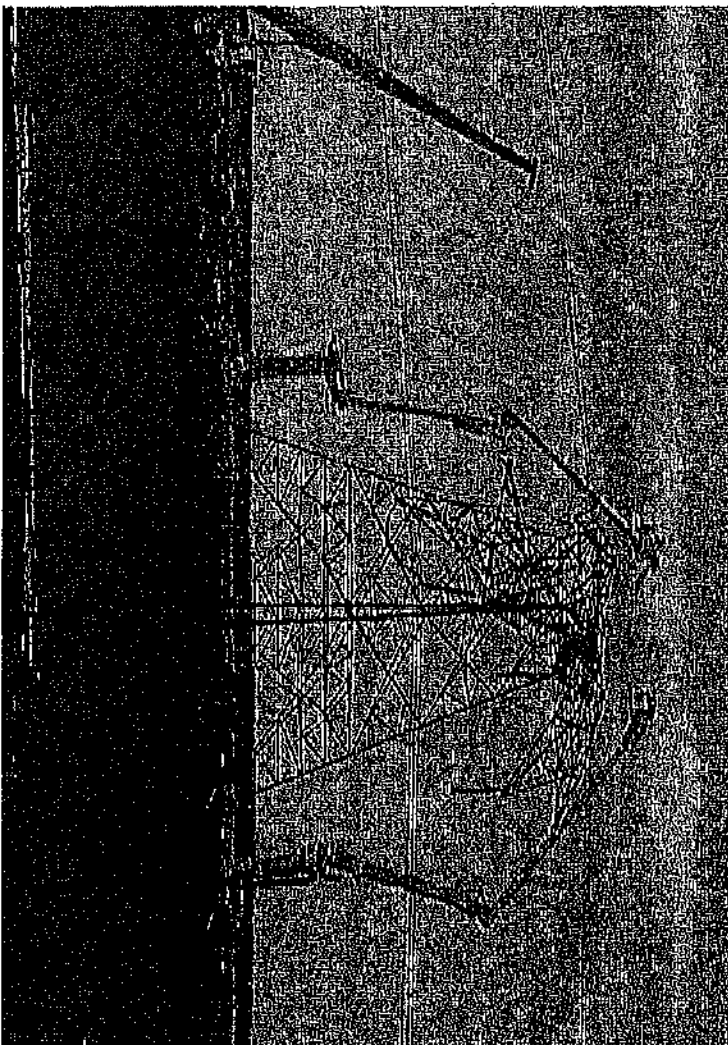
Transmission



Capabilities

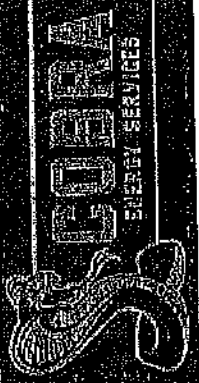
- Transmission live line
- O&M
- Aviation assets
- Cranes
- Qualified journeyman linemen

Transmission Restoration



Mammoth Energy Services (Nasdaq: TUSK)

October 2017

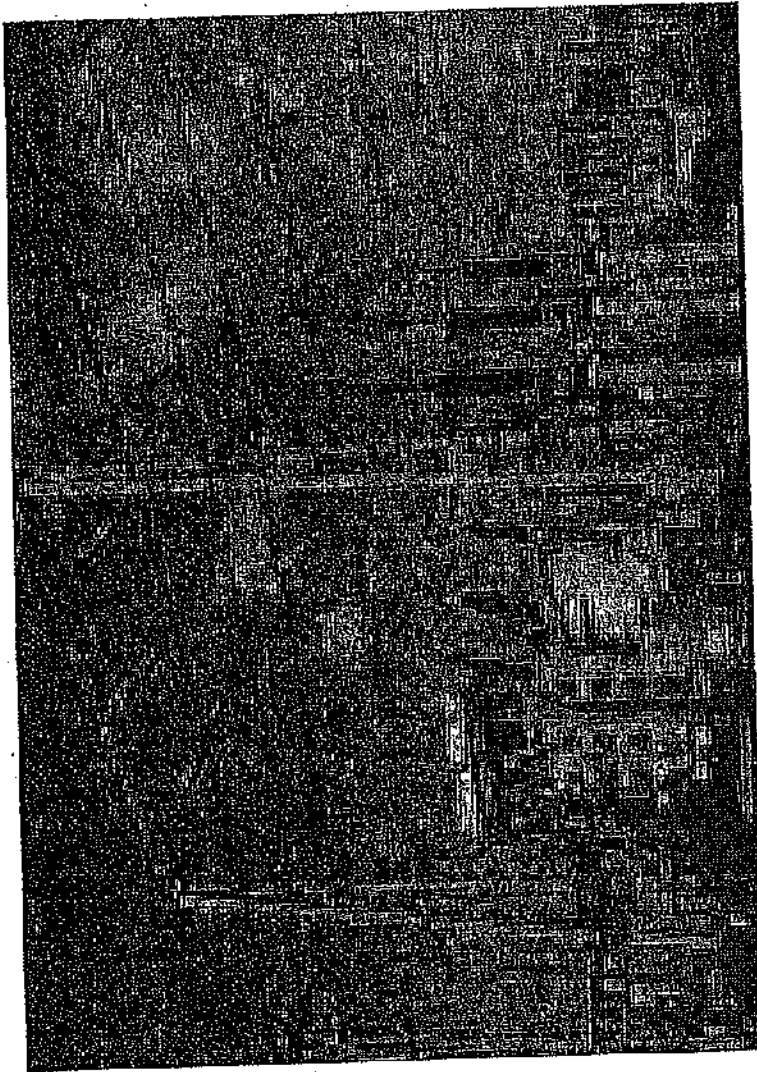


Substation

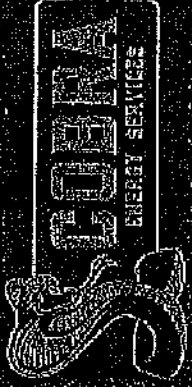
Capabilities

- Erection
- Substation Linemen
- Relay Technicians
- Commissioning

Restored Substation



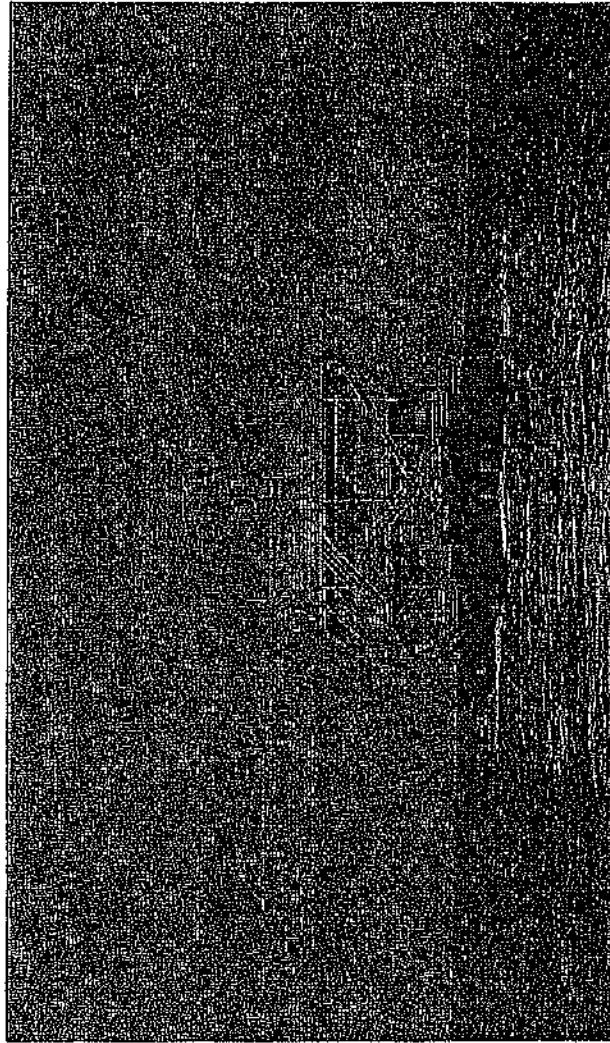
Logistics



Capabilities

- Turnkey offering which includes 550 beds
- Full catering services
- Boat crews to maintain the units as well as water, sewer and electrical utilities
- Both craft have their own water makers on board; can process sewer and provide their own power via two 800KW generators per barge

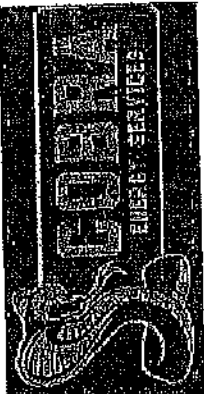
180' Supply Boat



- The proposal also includes a 180' fast supply boat to support the project for personnel, supplies or any equipment required
- The boat would commute from Miami to Port of San Juan 3 times per week
- Trash would be transported from Port of San Juan back to Miami for disposal
- The supply vessel has the ability to transport up to 72 persons per trip so could be utilized by Mammoth to provide transportation to/from Miami as required

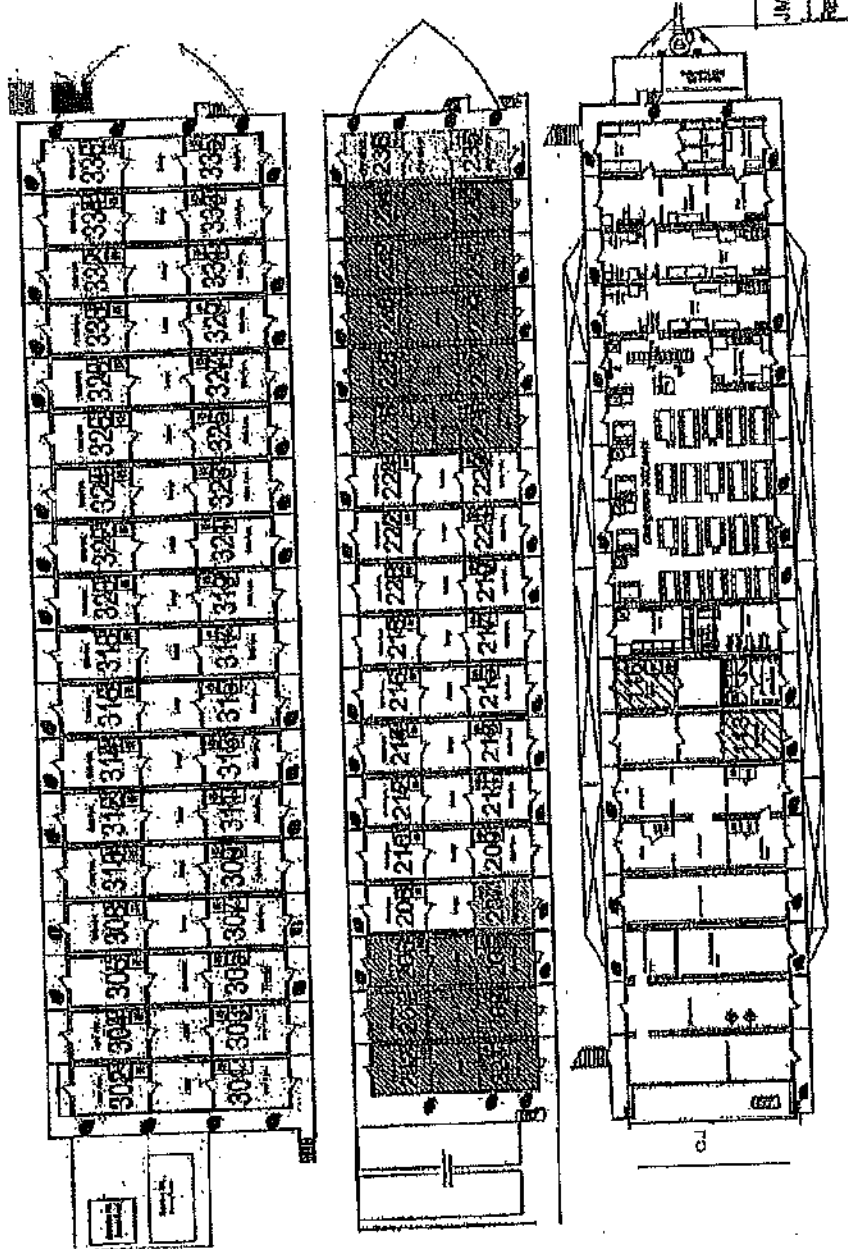
2.7

Berthing Layout



Each barge provides the following abilities

- Produce up to 900 gallons per hour of potable water
- Electricity provided by 2 x 800KW generators



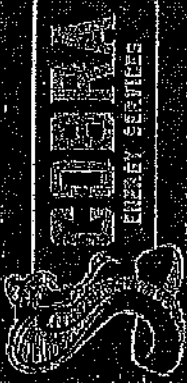
JMC24 CABIN PLAN
REV. 03 DATE 08.06.10 (ORIGINAL)

October 2017

Mammoth Energy Services (Nasdaq: TUSK)

B.P.

Berthing Specs



JMC Deck Barge

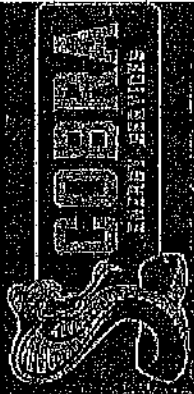
Barge Name	JMC 24
Type	Living Quarters - 290 Man
Year Built	2009 - Refit
Flag/Port of Registry	Vanuatu / Port Vila, Vanuatu
Official Number	440124
Class/Classification	RMRS Hostel
GRT	3490
Length Overall	76.16 meters (250 feet)
Breadth	17.76 meters (58 feet)
Depth	4.57 meters (15 feet)
Max Draft	3.00 meters (9.84 feet) Approximate
Deadweight	1341 Metric Tons (1319 LT) Approximate

Equipment	Two (2) 800 KW CAT generators Two (2) R.O. Watermakers One (1) Atlas Incinerator One (1) KenBay Trash Compactor, One (1) 5 Ton Tech Hydraulic Crane, One (1) Headhunter Waste Treatment System
Tank Capacities	Fresh Water: 170m3 (44,909 gallons) Fuel Oil: 80m3 (21,133 gallons) Sewage Waste: 580m3 (153,219 gallons) Waste Oil: 2.2m3 (581 gallons)
Main Deck:	Galley, Dry Food Storage, Three (3) Walk-In Freezers, 150 Person Dining Area, Control Room, Infirmary, Laundry Facility

DM

9.2

On Island Logistics team



Security Team

- Project Manager (PM) 1
- Deputy PM 1
- Operations Support Specialist 2
- Quick Reaction Force (SWAT/SOF) 10
- Federal/State former LEO HR218 65
- Medic/EMT 5
- Guards LYL 2/3 20
- Mobilization airfares (HOR to MIA) 102
- VHF Radios (60)
- Security vehicles 20
- -2-crew cab 4x4, 8-SUV 4x4, 10- Reg Cab 4x4
- SAT Phones
- SAT service

Transportation Team

- 7 equipment and material barges with tugs
- 2 fast supply ships
- 20 haul trucks on island with flatbed or pole trailers
- 1 DC-9 Aircraft
- 3 Rotary Airframes

Rate Structure



Cobra Energy Rate Structure

Blended rate, skilled linemen and standard equipment for transmission/distribution	250	\$1100	\$1600,000.00	\$120,000,000.00
550 Man Camp, All inclusive/fooding power water/meals/laundry	1	\$155,000.00	\$155,000.00	\$18,500,000.00
Security team	104	\$2,000.00	\$208,000.00	\$24,960,000.00
Logistics team (standby)	50	\$2500.00	\$125,000.00	\$15,000,000.00
Management team Operations & Safety	30	\$25,000.00	\$750,000.00	\$9,000,000.00
Regulator Minimum Requirements	180			\$187,550,000.00
Mobilization/Demobilization shall be reimbursed with 10% markup				
All reimbursables shall be reimbursed at cost with 10% markup				

Turnkey Rate Structure

[Handwritten signature]



Company Headquarters

Keith Ellison, President Cobra Energy

kellison@mammothenergy.com

7063026860

Mammoth Energy Services Corporate Office

14201 Caliber Drive Suite 300

Oklahoma City, OK 73134

www.mammothenergy.com

DM

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Emergency Contract for PREPA's Electrical Grid Reconstruction
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EXHIBIT B

Contractor's Rate Schedule

Qm

Line Item	QTY	Billable Daily Rate	Extended Daily billable rate	120 day minimum
Blended rate, skilled linemen and equipment, Transmission/Distribution/Substation	250	\$ 4,000.00	\$ 1,000,000.00	\$ 120,000,000.00
550 Man Camp, All-Inclusive/lodging, power, water, meals, laundry	1	\$ 155,000.00	\$ 155,000.00	\$ 18,600,000.00
Security Team	104	\$ 2,000.00	\$ 208,000.00	\$ 24,960,000.00
Logistics team (Island)	50	\$ 2,500.00	\$ 125,000.00	\$ 15,000,000.00
Management Team, Operations & Safety	30	\$ 2,500.00	\$ 75,000.00	\$ 9,000,000.00
Total of Minimum Daily Requirements	434			\$ 187,560,000.00
Mobilization/Demobilization and other reimbursable items shall be paid on a cost reimbursement basis consistent with the Cost Principles in 2 C.F.R. Part 200, Subpart E. The daily minimum amount due hereunder shall be \$1,563,000				

Contemporaneously with the execution of this Contract, PREPA will pay to Contractor a lump sum payment in the amount of \$15,000,000 (the "Deposit"), to be applied to the final invoices.

All amounts due to the Contractor under this Contract will be paid by wire transfer in U.S. Dollars in immediately available funds to the account provided to PREPA in writing unless and until PREPA receives written notice in accordance with the terms of this Contract of a change in such account instructions.

Any expenses of Contractor that are not specifically listed in this Exhibit B shall be subject to a specific work order to be provided to PREPA by Contractor for approval before such expenses are incurred by Contractor.

In the event that any amounts to be paid to Contractor under this Contract are subject to any taxes (including withholding) imposed by any governmental authority of Puerto Rico in excess of 8.5% and Contractor has not obtained an exemption from such taxes, the amount to be paid to Contractor shall be increased by an amount that, after the payment of such taxes, leaves Contractor with the amount that Contractor would have received if Contractor had been exempt from all such taxes.

Ar

Terms and Conditions
Emergency Contract for PREPA's Electrical Grid Reconstruction
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EXHIBIT C

Contractor's Standard Equipment and Tooling Schedule

Contractor's composite day rate for labor and standard equipment has been developed based on supplying the following types of equipment listed below.

Any equipment or specialized tooling not indicated below and used on a one-time basis shall be considered a reimbursable item and shall be reimbursed at cost. Any equipment or specialized tooling not indicated below and used on a long-term basis shall be considered a reimbursable item and shall be reimbursed based on actual rental.

Reimbursable items shall also be defined to include but not be limited to, any items and costs associated with mobilization and demobilization. Reimbursable items such as fuel surcharges, Contractor-furnished permanent materials and equipment costs will be reimbursed at cost.

Any expenses of Contractor that are not specifically listed in this Exhibit C shall be subject to a specific work order to be provided to PREPA by Contractor for approval before such expenses are incurred by Contractor.

Equipment Type	QTY
55'-60' 4x2/tracked	80
100-105 6x6/tracked	6
47' 4x4 4047/tracked	40
80' 6x6 General / tracked	3
Truck Cranes	
50 ton Manitex	2
Pressure Diggers	
Pressure Diggers	5
Pullers	
3500-4000# four drum	10
Tensioners	
72" bullwheel	10
Pick Up Trucks	
Pick Up Trucks	60
Specialty Trucks	
reel trailer small	20
Flat bed haul truck	4
Standard Haul Truck	12

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Emergency Contract for PREPA's Electrical Grid Reconstruction

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Heavy Haul Truck wet kit	2
132K# Load King Low boy	2
80k Stretch	6
60k drop deck	6
Rotary Aircraft	
MD 500	5
	273

DM
m.m.

Terms and Conditions
Emergency Contract for PREPA's Electrical Grid Reconstruction
Page 39 of 39

APPENDIX A

Form of Certification

**Certification Regarding Compliance With
The Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352**

The Contractor hereby certifies to the best of its knowledge and belief that:

(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;

(2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer;

(3) He or she will include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$150,000 shall certify and disclose accordingly; and

(4) This certification is a material representation of fact upon which reliance is placed when this transaction was made or entered into. Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person making an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

SIGNATURE:

COMPANY NAME:

DATE: _____



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

AMENDMENT NO. 1 TO EMERGENCY MASTER SERVICE AGREEMENT FOR
PREPA'S ELECTRICAL GRID REPAIRS - HURRICANE MARIA

APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended, represented in this act by its Executive Director, Ricardo Luis Ramos Rodríguez, of legal age, married, engineer and resident of Caguas, Puerto Rico.

AS SECOND PARTY: Cobra Acquisitions LLC, a limited liability company organized and existing under the laws of the State of Delaware with a place of business at 14201 Caliber Drive, Suite 300, Oklahoma City, Oklahoma 73134, herein represented by Arty Straehla, of legal age, married, and a resident of Oklahoma City, Oklahoma, hereinafter referred to collectively as the "Contractor") whose authority of representation is evidenced by corporate resolution.

WHEREAS: On October 19, 2017, PREPA and the Contractor entered into an Emergency Master Service Agreement for PREPA's Electrical Grid Repairs – Hurricane Maria (the "Original Contract).

WHEREAS: PREPA and the Contractor agree that Article 59(1) and Article 68 of the Original Contract need to be amended.

WITNESSETH

In consideration of the mutual covenants hereinafter stated, the Parties agree as follows:



Amendment No. 1 Emergency Contract for PREPA's Electrical Grid Reconstruction
Page 2 of 2

TERMS AND CONDITIONS

1. PREPA and Contractor agree that clause (1) of Article 59 of the Original Contract is hereby deleted in its entirety and replaced with the following:

ARTICLE 59: Access to Records

- 1) The Contractor agrees to provide PREPA, the Commonwealth of Puerto Rico, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions, during Contractor's performance of the Contract and for up to three (3) years after Contractor's receipt of final payment under the Contract.
2. PREPA and Contractor agree that Article 68 of the Original Contract is hereby deleted in its entirety and replaced with the following:

ARTICLE 68: Penalties, Fines, and Disallowed Costs.

If, as a result of any uncured violation of applicable law by Contractor, any U.S. Federal agency or the Commonwealth of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Contractor, the Contractor shall be solely responsible for such penalty, disallowed costs, or repayment demand, to the extent of its fault and/or responsibility, and shall reimburse PREPA in full within ten (10) days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Contractor pursuant to this provision shall not relieve the Contractor of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract. *g.m.*

3. Except as set forth herein, the Original Contract remains in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on this first day of November, 2017.

Puerto Rico Electric Power Authority

Cobra Acquisitions LLC

Ricardo Luis Ramos Rodríguez

Executive Director

Employer Social Security 660-43-3747

Arty Straehla

Arty Straehla

Chief Executive Officer

Employer Social Security _____

GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

AMENDMENT NO. 2 TO EMERGENCY MASTER SERVICE AGREEMENT FOR
PREPA'S ELECTRICAL GRID REPAIRS – HURRICANE MARIA

APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended, represented in this act by its Executive Director, Justo Luis Gonzalez Torres, of legal age, married, engineer and resident of Juana Diaz, Puerto Rico.

AS SECOND PARTY: Cobra Acquisitions LLC, a limited liability company organized and existing under the laws of the State of Delaware with a place of business at 14201 Caliber Drive, Suite 300, Oklahoma City, Oklahoma 73134, herein represented by Arty Straehla, of legal age, married, and a resident of Oklahoma City, Oklahoma (hereinafter referred to collectively as the "Contractor") whose authority of representation is evidenced by corporate resolution.

WHEREAS: On October 19, 2017, PREPA and the Contractor entered into an Emergency Master Service Agreement for PREPA's Electrical Grid Repairs – Hurricane Maria (the "Original Contract"), as amended by Amendment No. 1. to the Original Contract entered into on November 1, 2017 (as so amended, the "Contract").

WHEREAS: PREPA and the Contractor agree that a new Article 71 needs to be added to the Contract.

WITNESSETH

In consideration of the mutual covenants hereinafter stated, the Parties agree as follows:

TERMS AND CONDITIONS

1. PREPA and Contractor agree that a effective December 8, 2017 new Article 71 is hereby added to the Contract to read as follows:

ARTICLE 71: AD 17-28.

Pursuant to Administrative Determination No. 17-28, issued by the Puerto Rico Department of Treasury on November 10, 2017, Contractor and PREPA both hereby acknowledge that Contractor is engaged in a trade or business in Puerto Rico as a foreign company and is providing an essential service to the

Amendment No. 2 to Emergency Master Service Agreement for PREPA's Electrical Grid
Repairs – Hurricane Maria
Page 2 of 2

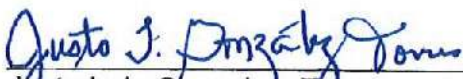
Government of Puerto Rico under the Contract; namely, Contractor is engaged in the repair, rebuilding, and re-construction of the electrical grid throughout the Commonwealth of Puerto Rico.

Pursuant to the provisions of Administrative Determination No. 17-28, Contractor hereby elects to be treated, for purposes of income tax, as engaged in/dedicated to a trade or business in Puerto Rico with respect to providing essential services rendered in Puerto Rico. Contractor will thereby file a Puerto Rico corporation income tax return and comply with the requirements of Administrative Determination No. 17-28.

2. Except as set forth herein, the Contract remains in full force and effect in accordance with its terms including, for the avoidance of doubt, the terms set forth in Exhibit B to the Contract.

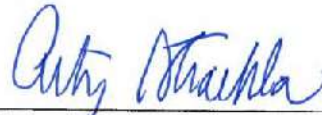
IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the 8th day of December, 2017.

Puerto Rico Electric Power Authority



Justo Luis Gonzalez Torres
Executive Director
Employer Social Security 66-0433747

Cobra Acquisitions LLC



Arty Straehla
Chief Executive Officer
Employer Social Security 37-1847915

GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

AMENDMENT NO. 3 TO EMERGENCY MASTER SERVICE AGREEMENT FOR
PREPA'S ELECTRICAL GRID REPAIRS - HURRICANE MARIA

APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended, represented in this act by its Executive Director, Justo Luis González Torres, of legal age, married, engineer and resident of Juana Díaz, Puerto Rico.

AS SECOND PARTY: Cobra Acquisitions LLC, a limited liability company organized and existing under the laws of the State of Delaware with a place of business at 14201 Caliber Drive, Suite 300, Oklahoma City, Oklahoma 73134, herein represented by Arty Straehla, of legal age, married, and a resident of Oklahoma City, Oklahoma (hereinafter referred to collectively as the "Contractor").

WHEREAS: On October 19, 2017, PREPA and the Contractor entered into an Emergency Master Service Agreement for PREPA's Electrical Grid Repairs – Hurricane Maria (the "Original Contract").

WHEREAS: On November 1, 2017 PREPA and the Contractor executed an Amendment No. 1 to the Original Contract,

WHEREAS: On December 8, 2017 PREPA and the Contractor executed and Amendment No. 2 to the Original Contract, as amended.

WHEREAS: PREPA and the Contractor agree that further amendments to the Original Contract are necessary, specifically to Article 59 as such article was amended by Amendment No. 1.

Amendment No. 3 to Emergency Master Service Agreement for PREPA'S Electrical
Grid Repairs – Hurricane Maria
Page 2 of 2

WITNESSETH

In consideration of the mutual covenants hereinafter stated, the Parties agree as follows:

TERMS AND CONDITIONS

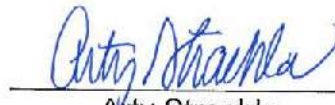
1. PREPA and Contractor agree that effective as of October 17, 2017 Article 59(1) of the Original Contract as amended by Amendment No. 1 is hereby further amended by striking the words "and for up to three (3) years after Contractor's receipt of final payment under the Contract" and replacing them with the words "and for up to three (3) years from the date of submission of the final expenditure report provided to FEMA."
2. PREPA and Contractor agree that Article 59 of the Original Contract is further amended by adding a clause (3):
 - 3) Consistent with Article 9(2) of this Contract the Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the Contract.
3. Except as set forth herein, the Original Contract as amended remains in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on this 21 day of December, 2017.

Puerto Rico Electric Power Authority


Justo Luis González Torres
Executive Director
Employer Social Security 66-0433747

Cobra Acquisitions LLC


Arty Straehla
Chief Executive Officer
Employer ID Number 37-1847915

GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

AMENDMENT NO. 4 TO EMERGENCY MASTER SERVICE AGREEMENT FOR
PREPA'S ELECTRICAL GRID REPAIRS - HURRICANE MARIA

APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended, represented in this act by its Executive Director, Justo Luis Gonzalez Torres, of legal age, married, engineer and resident of Juana Díaz, Puerto Rico.

AS SECOND PARTY: Cobra Acquisitions LLC (Contractor), a limited liability company organized and existing under the laws of the State of Delaware with a place of business at 14201 Caliber Drive, Suite 300, Oklahoma City, Oklahoma 73134, herein represented by Arty Straehla, of legal age, married, and a resident of Oklahoma City, Oklahoma.

WHEREAS: On October 19, 2017, PREPA and the Contractor entered into an Emergency Master Service Agreement for PREPA's Electrical Grid Repairs – Hurricane Maria (the "Original Contract").

WHEREAS: PREPA and the Contractor executed an Amendment No. 1 to the Original Contract dated November 1, 2017, an Amendment No. 2 to the Original Contract dated as of December 8, 2017 and an Amendment No. 3 to the Original Contract dated December 21, 2017 (the Original Contract, as so amended, the "Contract").

WHEREAS: PREPA and the Contractor agree that a further amendment to the Contract is necessary, including to Article 3.

TCO 362850620v1

Amendment No. 4 to Emergency Master Service Agreement for PREPA'S Electrical
Grid Repairs – Hurricane Maria
Page 2 of 7

WITNESSETH

In consideration of the mutual covenants hereinafter stated, the Parties agree as follows:

TERMS AND CONDITIONS

1. PREPA and the Contractor agree that Article 3 of the Original Contract is hereby amended by striking the dollar amount of "\$200,000,000 (Contract Amount)" appearing on the seventh (7th) line of such article and replacing it with the following dollar amount: "\$445,429,800 (Contract Amount)".
2. PREPA and the Contractor agree that Article 39 of the Original Contract is hereby amended by striking the third paragraph thereof.
3. As further required by Section XI of Joint Memorandum 2017-001 by the Governor's Chief of Staff (the "Chief of Staff") and the Office of Management and Budget, the Parties agree to insert the following Article 72 to the Contract:

ARTICLE 72: Interagency Services

Both contracting Parties acknowledge and accept that the contracted services may be rendered to any entity of the Executive Branch with which the contracting entity enters into an interagency agreement with or as determined by the office of the Chief of Staff. These services shall be rendered under the same terms and conditions with respect to work hours and compensation, as set forth in this agreement. For purposes of this provision, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico as well as all instrumentalities and public corporations and the Office of the Governor.

4. As further required by Section XI of Joint Memorandum 2017-001 by the Governor's Chief of Staff and the Office of Management and Budget, the Parties agree to insert the following Article 73 to the Contract:

ARTICLE 73: Termination by Chief of Staff

The office of the Chief of Staff shall have the authority to terminate this Contract at any time. In the event the Chief of Staff exercises this authority, such termination shall be deemed a termination by PREPA under Articles 14 and 15.

Amendment No. 4 to Emergency Master Service Agreement for PREPA'S Electrical
Grid Repairs – Hurricane Maria
Page 3 of 7

5. A new exhibit is hereby added to the Contract in the form of Exhibit B-1 attached hereto, such Exhibit B-1 to be effective on January 1, 2018.
6. The Parties agree that PREPA will make payment for the work performed under this Amendment on a Time and Material basis at the rates set forth in Exhibit B-1, and the total amount to be paid under this Amendment shall not exceed the Contract Amount. PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract Amount. The Contractor will be the only one responsible for any work it or any of its subcontractors, if any, does in excess of the Contract Amount.
7. Within 10 days of the execution of this Amendment the Contractor shall obtain and submit the following documents and certifications, provided, however, that if Cobra provides evidence that it submitted a timely request for a document or certification from the applicable government office and said office is unable to provide the document or certification in time for Cobra to meet the 10 day deadline, such circumstances shall constitute an excusable delay and Cobra shall submit the document or certification immediately upon receipt from the government office:
- A. The Contractor shall submit the following certifications issued by the Treasury Department of Puerto Rico: (a) a Certification which indicates that the Contractor does not owe taxes to the Commonwealth of Puerto Rico, or is paying such taxes by an installment plan and is in full compliance with its terms; (b) an Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that the Contractor has filed his Income Tax Return for the last five (5) years; (c) a Sales and Use Tax Filing Certificate assuring that the Contractor has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods; (d) a Certificate of Merchant's Registration;
- B. Certifications issued by the Municipal Revenues Collection Center (MRCC): (a) a Certification assuring that the Contractor does not owe any tax accruing during the last five (5) years to such governmental agency or other documentation acceptable to PREPA providing evidence that any taxes allegedly owed are currently under administrative review, and; (b) a Personal Property Tax Filing Certification that indicates that the Contractor has filed their Personal Property Tax Return for the last five (5) contributory terms.
- C. The Contractor also certifies it does not have outstanding debts regarding its treatment of unemployment insurance premiums, workers' compensation payments, Social Security for chauffeurs in Puerto Rico.

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Amendment No. 4 to Emergency Master Service Agreement for PREPA'S Electrical
Grid Repairs – Hurricane Maria
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- D. The Contractor shall submit a Certification issued by ASUME assuring that the Contractor is in compliance with the withholdings required by law as an employer.
- E. Contractor shall submit a Certificate issued by the Department of Labor and Human Resources of Puerto Rico assuring that the Contractor has paid to the Department of Labor and Human Resources of Puerto Rico its employees' contributions accruing during the last five (5) years, in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness or social security for drivers/chauffeurs); or is paying such contributions by an installment plan in full compliance with its terms.
- F. Contractor shall submit a Good Standing Certificate issued by the Department of State of Puerto Rico.
- G. Contractor shall provide a Certificate of Incorporation or Certificate of Organization or Certificate of Authorization to do Business in Puerto Rico issued by the Puerto Rico Department of State; and Good Standing Certificate issued by the Puerto Rico Department of State.
- H. Contractor shall submit a sworn statement whereby it shall inform whether it or any president, vice-president, director, executive director or member of a board of officials or board of directors, or persons that or any person performing equivalent functions for Contractor has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.

It is expressly acknowledged that the certifications provided by the Contractor, pursuant to this Article 7 of this Amendment, are essential conditions of this Contract, and if these certifications are incorrect, Contractor shall be in breach of the Contract. If the status of the Contractor with regards to the charges previously mentioned in this Clause H should change at any time during the term of the Contract, the Contractor shall notify PREPA promptly. The failure to comply with this responsibility constitutes a violation of this section and a breach of the contract.

8. Anti-corruption Code for a New Puerto Rico: Contractor agrees to comply with the provisions of Act 2-2018, known as the Anti-Corruption Code for a New Puerto Rico, as the same may be amended from time to time.
9. Government Ethics Act: The Contractor hereby certifies that it is in compliance with Act 1 of January 3, 2012, as amended, known as the Ethics Act of the Government

Amendment No. 4 to Emergency Master Service Agreement for PREPA'S Electrical
Grid Repairs – Hurricane Maria
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of Puerto Rico, which, stipulates that, no employee or executive of the Contractor, nor any member of his/her immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the Services to be rendered under this Agreement, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government.

9. A. 9.10
10. Certification as to No Conviction: Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico. PREPA shall have the right to terminate the agreement in the event Contractor is convicted in Puerto Rico or United States Federal court for any of the crimes specified in this paragraph. Contractor shall promptly inform PREPA of any conviction or guilty plea for any of the aforementioned crimes during the term of this Contract.
11. Certification of Government Agreements: The Contractor hereby certifies that, at the time of execution of this Agreement, it does not have any other material agreement for services with any agency, public corporation, municipality, or instrumentality of the Government of Puerto Rico.
12. Employees not to Benefit: The Parties hereby declare that, to the best of their knowledge, no public officer or employee of the Commonwealth of Puerto Rico, its agencies, instrumentalities, public corporations or municipalities or employee of the Legislative or Judicial branches of the Government has any direct or indirect interest in the present Agreement. The Contractor certifies that neither it nor any of its partners, directors, executives, officers, and employees receives salary or any kind of compensation for the delivery of regular services by appointment in any agency, instrumentality, public corporation, or municipality of the Commonwealth of Puerto Rico.
13. Equal Opportunity: Contractor certifies that it will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise prohibited by law and will indemnify PREPA against any claims arising from such unlawful discrimination by Contractor.

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14. Contractor warrants that the scope of work as provided pursuant to the Contract, including this and all Amendments is performed consistent with all applicable FEMA laws, regulations, and eligibility guidelines and only includes work which is eligible for FEMA reimbursement assistance.
15. Any financial records, supporting documents, and statistical records in relation with the Contract and this Amendment Four must be retained according to PREPA's Policy for Conservation and Retention of Documents (Revised 2012) that establishes a period of retention (15 years, of which the last five will be after the audit of the Office of the Inspector General) greater than that required by FEMA and the 2 CFR §200. The 2 CFR §200.333 will apply to any record or document not mentioned or covered in PREPA's Policy.
16. PREPA and the Contractor agree that Article 14(1) of the Original Contract is hereby amended by striking "thirty (30)" on the fourth (4th) line of such article and replacing it with "ten (10)".
17. The Parties agree that this Contract as amended is not a professional service contract and that no professional services will be rendered by Contractor hereunder.
18. Except as set forth herein, the Contract remains in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on and effective as of this 28 day of January, 2018.

Puerto Rico Electric Power Authority


Justo Gonzalez
Executive Director
Employer Social Security 66-0433747

Cobra Acquisitions LLC


Arty Straehla
Chief Executive Officer
Employer ID Number 

Amendment No. 4 to Emergency Master Service Agreement for PREPA'S Electrical
Grid Repairs – Hurricane Maria
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EXHIBIT B-1

Contractor's Rate Schedule

Line Item	QTY	Billable Daily Rate	Extended Daily billable rate	77 days
Blended rate, skilled linemen and equipment, Transmission/Distribution/Substation	662	\$ 3,760.00	\$ 2,489,120.00	\$191,662,240.00
550 Man Camp, All inclusive/lodging, power, water, meals, laundry	1.8	\$ 142,600.00	\$ 256,680.00	\$19,764,360.00
Security Team	140	\$ 1,840.00	\$ 257,600.00	\$19,835,200.00
Logistics team (Island)	50	\$ 2,300.00	\$ 115,000.00	\$8,855,000.00
Management Team, Operations & Safety	30	\$ 2,300.00	\$ 69,000.00	\$5,313,000.00
Total of Minimum requirements	882.8		\$ 3,187,400.00	\$245,429,800.00
Mobilization/Demobilization shall be reimbursed at cost				
All reimbursable shall be reimbursed at cost				

Contemporaneously with the execution of the Original Contract, PREPA paid to Contractor a lump sum payment in the amount of \$15,000,000 (the "Deposit"), to be applied to the final invoices.

All amounts due to the Contractor under this Contract will be paid by wire transfer in U.S. Dollars in immediately available funds to the account provided to PREPA in writing unless and until PREPA receives written notice in accordance with the terms of this Contract of a change in such account instructions.

Any expenses of Contractor that are not specifically listed in this Exhibit B-1 shall be subject to a specific work order to be provided to PREPA by Contractor for approval before such expenses are incurred by Contractor.

In the event that any amounts to be paid to Contractor under this Contract are subject to any taxes (including withholding) imposed by any governmental authority of Puerto Rico in excess of 8.5% and Contractor has not obtained an exemption from such taxes, the amount to be paid to Contractor shall be increased by an amount that, after the payment of such taxes, leaves Contractor with the amount that Contractor would have received if Contractor had been exempt from all such taxes.

GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

AMENDMENT NO. 5 TO EMERGENCY MASTER SERVICE AGREEMENT FOR
PREPA'S ELECTRICAL GRID REPAIRS - HURRICANE MARIA

APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended ("Act 83"), represented in this act by its Executive Director, Justo Luis Gonzalez Torres, of legal age, married, engineer and resident of Juana Díaz, Puerto Rico.

AS SECOND PARTY: Cobra Acquisitions LLC (Contractor), a limited liability company organized and existing under the laws of the State of Delaware with a place of business at 14201 Caliber Drive, Suite 300, Oklahoma City, Oklahoma 73134, herein represented by Arty Straehla, of legal age, married, and a resident of Oklahoma City, Oklahoma.

WHEREAS: PREPA is authorized to enter into this agreement by virtue of Section 6(f) of Act 83.

WHEREAS: On October 19, 2017, PREPA and the Contractor entered into an Emergency Master Service Agreement for PREPA's Electrical Grid Repairs – Hurricane Maria (the "Original Contract").

WHEREAS: PREPA and the Contractor executed an Amendment No. 1 to the Original Contract dated November 1, 2017, an Amendment No. 2 to the Original Contract dated as of December 8, 2017, an Amendment No. 3 to the Original Contract dated December 21, 2017, an Amendment No. 4 to the Original Contract dated as of January 28, 2018 (the Original Contract, as so amended, the "Contract").

Amendment No. 5 to Emergency Master Service Agreement for PREPA'S Electrical Grid
Repairs – Hurricane María
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WHEREAS: The United States Army Corps of Engineers (USACE) has been the primary procurement authority for materials necessary for the restoration of power in Puerto Rico, whose procurement channels have faced increasing supply chain pressures and whose procurements must comply with various U.S. laws and regulations such as the Buy American Act (41 U.S.C. §§ 8301–8305).

WHEREAS: Various materials required for the restoration of power are only readily available from foreign suppliers under contract with PREPA and who meet PREPA's specifications.

WHEREAS: Stateside response efforts and storm restoration requirements in places such as Houston, TX and the State of Florida following Hurricanes Harvey and Irma depleted materials from suppliers available to the USACE, and for these or other supply chain constraints, have limited the availability of materials through the USACE to Puerto Rico.

WHEREAS: Contractor may have suppliers that can provide necessary materials at a lower cost, or in a more expedient manner at a still reasonable cost, so as to not further delay the restoration of desperately needed power to the people of Puerto Rico.

WHEREAS: Hundreds of thousands of people in Puerto Rico are still without electricity, likely requiring still months of restoration efforts, especially in the hardest-to-service parts of the island.

WHEREAS: The valuable aid provided by the USACE may not last an indefinite amount of time, and likely not until power is fully restored to pre-Hurricane María levels.

Amendment No. 5 to Emergency Master Service Agreement for PREPA'S Electrical Grid
Repairs – Hurricane Maria
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WHEREAS: PREPA must be prepared and able to scale and maintain the necessary level of effort to continue work at current levels should the USACE mission assignment end, and along with it, its 1,000-plus contractors funding.

WHEREAS: PREPA requires a contract vehicle that provides relief of the restoration effort's material procurement constraints and allows PREPA the flexibility to quickly scale its own restoration efforts should the need present.

WHEREAS: PREPA and the Contractor agree that a further amendment to the Contract is necessary.

WITNESSETH

In consideration of the mutual covenants hereinafter stated, the Parties agree as follows:

TERMS AND CONDITIONS

1. PREPA and the Contractor agree that Article 3 of the Original Contract is hereby amended by striking the dollar amount of "\$445,429,800 (Contract Amount)" appearing on the seventh (7th) line of such article and replacing it with the following dollar amount: "\$945,429,800 (Contract Amount)".
2. PREPA and the Contractor agree that the first paragraph of Article 14 of the Contract is hereby amended by striking the first paragraph thereof and replacing it with the following:
 - "1) Notwithstanding anything to the contrary in this Contract regarding its term, PREPA may, at any moment, terminate, cancel or accelerate its expiration, after giving the Contractor not less than thirty (30) days prior written notice, for any or no reason, when in PREPA's judgment such action responds to its best interest. PREPA may terminate this Agreement immediately at any time in cases of gross negligence by the Contractor upon written notice to Contractor specifying such gross negligence."

Amendment No. 5 to Emergency Master Service Agreement for PREPA'S Electrical Grid
Repairs – Hurricane María
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3. Materials. The Parties agree that the Contractor may purchase and provide PREPA with materials needed for the restoration work of the electrical system (the "Materials"), subject to the following terms and conditions:

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[Signature]
- (a) Prior to placing the order for any Materials, the Contractor shall provide to PREPA a schedule of the costs of such Materials on a pass-through basis and the cost for transportation, for final review and approval by PREPA. No purchases shall be made by Contractor on behalf of PREPA except with prior written authorization from PREPA;
 - (b) All Materials will comply with specifications provided by PREPA.
 - (c) All Material procurements by Contractor must comply with Federal regulations under the Code of Federal Regulations Title 2 Sections 200.317 to 200.321, 200.326, 200.333 and Appendix II.
 - (d) Contractor will complete all purchases in accordance with all Puerto Rico laws, rules and regulations, including but not limited to Act 83, Regulation 8518 issued by PREPA, known as the Bid Regulation (Reglamento de Subastas), the Procedure for Purchases by Request for Quotes or Offers Exempt from Formal Bid Process (the "Procedures for Exempt Purchases"), and Chapter 500 of PREPA's Administrative Manual (Purchases), as applicable. As provided Act 83 and the Bid Regulation, a bid process will not be required when, due to an emergency situation, immediate delivery of certain materials is required. In such cases, purchases shall be made by Contractor in accordance with the provisions of the Procedures for Exempt Purchases. PREPA will provide written notice to the Contractor when Procedures for Exempt Purchases is authorized.
 - (e) PREPA will reimburse the Contractor for (i) the actual cost of the Materials on a pass-through basis and (ii) transportation costs.
 - (f) Any profit of Contractor on transportation of materials must not be calculated on a "cost plus a percentage of cost" basis.
 - (g) The Contractor will deliver the Materials to PREPA's General Warehouse in Palo Seco or any other location identified by PREPA in writing at the time the order for the Materials is placed. All risk of loss of the Materials will transfer to PREPA upon delivery to the location identified by PREPA. Title shall pass to PREPA upon payment in full of all amounts due in connection with the Materials.

Amendment No. 5 to Emergency Master Service Agreement for PREPA'S Electrical Grid
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A.P.
[Signature]
- (h) The Contractor shall use its reasonable efforts to obtain the lowest prices available, while considering manufacturers capacity and/or supplier ability to meet the demand of the work schedules which may require procurement from different manufacturers and suppliers.
 - (i) For any Materials procured under Emergency Procedures, PREPA will certify that each material procurement was necessary due to emergency or exigent circumstances and complies with PREPA's policies and regulations for emergency procurement.
 - (j) It is the responsibility of the Contractor to maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: (i) rationale for the method of procurement, (ii) rationale for the election of contract type, (iii) criteria for contractor selection or rejection, (iv) basis for the contract price, (v) documentation of reasonableness of the costs based on multiple quotations and/or pricing solicitations whenever possible to support the costs claimed, (vi) evidence provided by PREPA of emergency situations and immediate need for materials to support that such purchase is exempt from a formal bid process, as required under Act 83, (vii) other evidence of compliance with the applicable purchasing procedures and (viii) any other documentation required by federal or state law. Upon request by PREPA, Contractor shall deliver to PREPA a file containing all documentation described herein.
 - (k) For any Materials to be procured by the Contractor, PREPA shall review the procurement and will provide certification regarding procurement compliance with Section 15(b) (2) of Act No. 83 of May 2, 1941, as amended, PREPA's internal policies, and all required statutory and contractual provisions.
- 4. The Contractor shall submit invoices for Materials separately from invoices for other work performed under the Contract. All invoices will be delivered in compliance with the provisions of Section 3 of the Contract, as amended.
 - 5. By signing below, the Contractor certifies that no other Federal, State or local agencies, non-insurance agency or any other entity has paid or will pay Contractor for Material costs paid to Contractor by PREPA.
 - 6. The Parties agree that the third paragraph of Article 3, Consideration, of the Original Contract is hereby stricken and replaced with the following four paragraphs:

Amendment No. 5 to Emergency Master Service Agreement for PREPA'S Electrical Grid
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"PREPA will review each invoice and if it is in compliance with the requirements set forth in the Contract, PREPA will issue a preliminary recommendation approving the invoice within seven (7) calendar days from when it is received. If PREPA recommends preliminary approval, PREPA will pay an amount equal to 80% of such invoice amount within three (3) calendar days of the approval. If PREPA makes a preliminary recommendation of disapproval, PREPA will return the invoice to the Contractor within three (3) calendar days with a written explanation for such disapproval. Contractor shall have the right to resubmit for payment any invoices that do not receive a preliminary recommendation of approval, and such invoices will be processed in accordance with this paragraph.

PREPA will process for payment the remaining 20% of each invoice once the work associated with that specific invoice has been completed by Contractor and accepted by PREPA. PREPA will make commercially reasonable efforts to issue such acceptance of work within 15 calendar days from when such invoice is received. In any event, PREPA will either accept and make payment to Contractor or reject such invoice within 30 calendar days from when it is received. If PREPA rejects such invoice, PREPA will return the invoice to the Contractor within three (3) calendar days with a written explanation for such rejection. Contractor shall have the right to resubmit for payment any rejected invoice, and such invoices will be processed in accordance with this paragraph. A finance charge of 1% per month shall be due on payments received after the date due pursuant to the schedule described above.

The Contractor further warrants that work for which Contractor has received payments in full from PREPA shall be free and clear of liens, claims, security interests or encumbrances in favor of the Contractor and its Subcontractors or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the work.

Payment for Materials and their Transportation

The Contractor shall submit the invoices of the Materials and their transportation costs on or before delivery of, and PREPA's receipt of, the Materials to the location designated by PREPA at the time the order is placed. The Contractor must submit with each invoice the evidence of payment (or terms of payment indicating an obligation to pay) for the Materials and their transportation. PREPA will review each invoice and if

Amendment No. 5 to Emergency Master Service Agreement for PREPA'S Electrical Grid
Repairs – Hurricane Maria
Page 7 of 8

it is in compliance with the schedule of Materials and their transportation as approved by PREPA, PREPA shall pay such invoice within ten (10) calendar days from the date of delivery of the Materials and the receipt of such by PREPA.

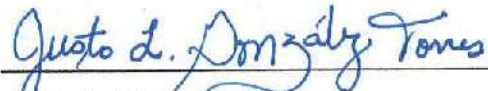
7. PREPA hereby acknowledges and accepts that the Contractor has delivered to PREPA the certifications required under Executive Orders OE-1991-24 and OE-1992-52 as well as a copy of Contractor's Certificate of Formation.
8. PREPA hereby certifies that no public officer or employee of PREPA who has the power to approve or authorize contracts has evaluated, considered, approved or authorized any contract between PREPA and Contractor in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.
9. The definition of "Contract" contained in Article 2, paragraph 3) of the Original Contract is hereby amended by deleting therefrom the following text inadvertently appearing on lines two and three thereof: ", which constitute an amendment and supersedes to that contract entered into by the parties on September 26, 2017,"
10. PREPA shall not approve the purchase of any Materials under this Amendment until this Amendment is properly registered in the Office of the Controller of the Government of Puerto Rico.
11. The Contractor will neither increase nor decrease its total staffing resources more than 10% from the level agreed to in Exhibit 1-B Contractor's Rate Schedule of 882 personnel without the written consent of PREPA.
12. Employees not to Benefit: The Parties hereby declare that, to the best of their knowledge, no public officer or employee of the Commonwealth of Puerto Rico, its agencies, instrumentalities, public corporations or municipalities or employee of the Legislative or Judicial branches of the Government has any direct or indirect interest in the present Agreement. The Contractor certifies that neither it nor any of its partners, directors, executives, officers, and employees receives salary or any kind of compensation for the delivery of regular services by appointment in any agency, instrumentality, public corporation, or municipality of the Commonwealth of Puerto Rico.
13. PREPA hereby certifies that this Amendment has been approved by the delegate of the Governor of Puerto Rico, as required under Act 3-2017 and Office of the Chief of Staff Memorandum No. 2017-001; Office of Management and Budget Circular Letter 141-17.

Amendment No. 5 to Emergency Master Service Agreement for PREPA'S Electrical Grid
Repairs – Hurricane María
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14. Except as set forth herein, the Contract remains in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on and effective as of this 27th day of February, 2018.

Puerto Rico Electric Power Authority



Justo L. Gonzalez Torres
Executive Director
Employer Social Security 66-0433747

Cobra Acquisitions LLC



Arty Straehla
Chief Executive Officer
Employer ID Number 37-1847915



Keith Ellison
President Cobra Acquisitions, LLC

Exhibit 2

GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

MASTER SERVICE CONTRACT
FOR PREPA'S ELECTRICAL GRID REPAIRS HURRICANE MARIA

APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Government of Puerto Rico, created by Act 83 of May 2, 1941, as amended, represented in this act by its Chief Executive Officer/Executive Director, Walter M. Higgins, of legal age, married, executive and resident of San Juan, Puerto Rico.

✓ AS SECOND PARTY: Cobra Acquisitions LLC (Contractor), a limited liability company organized and existing under the laws of the State of Delaware with a place of business at 14201 Caliber Drive, Suite 300, Oklahoma City, Oklahoma 73134, herein represented by Arty Straehla, of legal age, married, and a resident of Oklahoma City, Oklahoma, whose authority of representation is evidenced by corporate resolution, dated January 9, 2017.

Both, PREPA and Contractor which are hereinafter referred to individually as a "Party" and jointly as "Parties",

WITNESSETH

In consideration of the mutual covenants hereinafter stated, the Parties agree themselves, their personal representatives, and successors as follows:

ARTICLE 1: Scope of Contract

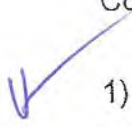
The Contractor shall provide labor, supervision, tools, equipment and materials necessary to perform the hurricane restoration and reconstruction services at various locations in PREPA's

Master Services Contract – PREPA's Electrical Grid Repairs Hurricane Maria
Page 2

service areas, all in strict accordance with the provisions of this Contract and Contractor's proposal attached hereto as Exhibit A. PREPA will sign one Contract Release for each line, feeder, segment, substation, or switchyard project. The terms and conditions stated in this Contract will govern on any Contract Release all in accordance and compliance with FEMA guidelines and regulations.

ARTICLE 2: Definitions

Whenever the words defined in this article or pronouns used instead are mentioned in this Contract, they shall have the meanings here given:

- 
- 1) Engineer - shall mean the Transmission and Distribution Director of PREPA, acting directly or through his properly authorized representatives.
 - 2) Contracting Officer - shall mean PREPA's Executive Director/Chief Executive Officer, acting directly or through his properly authorized representatives.
 - 3) Contract - shall mean collectively, all the covenants, terms, and stipulations in these articles of agreement and in all supplementary documents hereto attached which constitute essential parts of the Contract and are hereby made part thereof, to wit:
 - Contract
 - Contractor's Proposal (attached hereto as Exhibit A)
 - Contractor's Rate Structure (attached hereto as Exhibit B)
 - Contractor's Standard Equipment and Tooling Schedule (attached hereto as Exhibit C)
 - 4) Change order - A written agreement between the Parties that sets out changes in price, time, or scope of work to the Contract, which has been approved by the appropriate official pursuant to the general authorization for approval.
 - 5) Contract Release – A purchase order created with reference to this Contract, the contract release documentation (order date, quantity, value, number of the contract release order, account number, among others) is included as part of each release.

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Page 3

ARTICLE 3: Consideration

In accordance with the terms and conditions contained herein, PREPA agrees to pay and the Contractor accepts that PREPA will make payment for the work performed on a Time and Materials (Equipment) basis at the rates, and subject to the terms, set forth in Exhibit B and Exhibit C. As compensation for services rendered under this Contract, PREPA and the Contractor agree that the total amount to be paid under this Contract shall not exceed nine hundred million dollars (\$900,000,000) (Contract Amount). PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract ceiling price. The Contractor will be the only one responsible for any works it or any of its subcontractors, if any, does in excess of the Contract Amount.

✓ Payment for work performed under the Contract shall not exceed the Contract Amount. PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract Amount. The Contractor will be the only one responsible for any works it or any of its subcontractors, if any, does in excess of the Contract Amount. The Contractor shall not be obligated to continue performance if to do so would exceed the Contract Amount, unless and until PREPA notifies the Contractor in writing that the Contract Amount has been increased and specifies in the notice a revised ceiling that shall constitute the new Contract Amount for performance under this Contract.

PREPA will only pay for Services already rendered before the submitted invoice date. PREPA will not be required to make advance payments for any future service to be rendered by Contractor under the Contract. Contractor shall submit invoices once a week (on Monday) which will include a description of the services rendered as per established in Contractor's Proposal, Contractor's Rate Structure and Contractor's Standard Equipment and Tooling Schedule. Each invoice shall be itemized and must be duly certified by an authorized representative of the Contractor.

PREPA will review each invoice to determine whether it is in compliance with the requirements set forth in the Contract.

PREPA will make commercially reasonable efforts to issue such determination and acceptance of work within 7 calendar days from when such invoice is received. In any event, PREPA will

Master Services Contract – PREPA's Electrical Grid Repairs Hurricane Maria
Page 4

either accept or reject such invoice within 15 calendar days from when it is received. If PREPA rejects such invoice, PREPA will return the invoice to the Contractor within three (3) calendar days of such rejection with a written explanation for such rejection. Contractor shall have the right to resubmit for payment any rejected invoice, and such invoices will be processed in accordance with this paragraph. Each invoice accepted by PREPA shall be paid within 30 days from when such invoice is received. A finance charge of 1% per month shall be due on payments received after the date due.

The Contractor further warrants that work for which Contractor has received payments in full from PREPA shall be free and clear of liens, claims, security interests or encumbrances in favor of the Contractor and its Subcontractors or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the work.

The funds for the payment of Services by Contractor will be paid from account 01-1747-17595-555-474; provided, however, that the failure to adequately fund such account shall not relieve PREPA of its obligation to pay Contractor under this Contract.

Prior to payment, the invoices submitted by the Contractor must be approved by the Engineer and must be accompanied by the proper supporting documents (such as inspection certifications, work reports and third party invoices).

All invoices submitted by the Contractor shall include the following Certification in order to proceed with its payment.

No Interest Certification:

Under penalty of absolute nullity, I hereby certify that no employee, official or director of PREPA is a party or has been granted by Contractor any interest or payment in the profits or benefits to be obtained by Contractor under this Contract or if any employee, official or director of PREPA has any interest in the profits or benefits under this Contract a waiver has been previously obtained. I, also certify that the only consideration to Contractor to provide the services under this Contract is the payment agreed with PREPA's authorized representative. The total amount of this invoice is fair and correct. The services were provided and no payment has been received for said concept.

Master Services Contract – PREPA's Electrical Grid Repairs Hurricane María
Page 5

Contractor's Signature

This is an essential requirement and those invoices without this Certification will not be processed for payment. In order to comply with the certification requirements set forth above, Contractor shall require that subcontractors providing Services also make the certification set forth above in any invoices submitted in connection with the Services.

All invoices have to be sent to the following address:

Puerto Rico Electric Power Authority,
Accounts Payable Section,
PO Box 70253,
San Juan, Puerto Rico 00936-0253

✓ ARTICLE 4: Commencement and Completion of Work

4.1 Inspection and Delivery

Unless mutually agreed, all works shall be completed as per schedule of proposed progress from the commencement date as established per Contract Release for all work to be performed. The commencement date will be the beginning date stated on the letter of mobilization.

4.2 Schedule of Proposed Progress

Contractor will use commercially reasonable efforts to perform the work in such a manner to meet PREPA's scheduling expectations, but PREPA waives any claim against Contractor related to delayed completion of the work.

4.3 Contract Term

This Contract shall be in effect from the date of its execution until May 25, 2019.

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ARTICLE 5: Suspension of Work

- 5.1 PREPA may, at any time, suspend the whole or any portion of the work under this Contract, by providing Contractor with a written notice stating the reasons for suspension at least five (5) days in advance of the day the suspension shall take effect. The right of PREPA to suspend the work shall not be construed as denying the Contractor all actual, reasonable and necessary costs and expenses due to the delays caused by such suspension.
- 5.2 Either Party may suspend the whole or any portion of the work under this Contract by reason of the occurrence of a force majeure event as described in Article 10 herein.
- 5.3 In case of suspension of the work by PREPA for any reason, or in case the work is suspended in whole or in part due to the occurrence of a force majeure event, Contractor's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any such suspension. Contractor will also have the right to claim lost revenue standing time of manpower and equipment, and overhead costs.
- 5.4 If the suspension extends for more than fifteen (15) days, the Contractor shall have the right to an equitable adjustment to the amounts payable to Contractor and the Contract shall be modified in writing accordingly. If a suspension extends beyond thirty (30) days, Contractor has the right to terminate this Contract.

ARTICLE 6: Methods and Data

PREPA reserves the right to review and approve all methods and data, which the Contractor develops hereunder. Such review or approval shall in no way relieve the Contractor from its responsibilities, obligations or liabilities under this Contract. The Contractor shall obtain such reviews or approval in writing from PREPA. The Contractor shall keep at the working area a copy of the Contract and its supplementary documents at all times, give the Engineer access thereto.

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ARTICLE 7: Changes and/or Extra Work

PREPA may, at any time, by written order, make changes in the services or work to be performed within the general scope of this Contract. These works assignment shall be agreed between Contractor and PREPA. The approval of this extra work is subject to PREPA's Engineer. The Contractor shall work with PREPA to supply Emergency Crews for this purpose. Those Crews shall be independent of the Circuit Crews assigned to the scheduled circuit. All contractual specifications shall apply. If such changes cause an increase or decrease in Contractor's cost of, or time required for, performance of any services under this Contract, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly. Provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope or not reasonable for the completion of, Federal grant awards from the Federal Emergency Management Agency ("FEMA") or any other U.S. Federal agency.

ARTICLE 8. Inspection

During the progress of work, the Engineer or its authorized representatives shall make daily inspections to evaluate all assigned works as established and accepted by PREPA to ensure Contractor compliance with the power line specifications. All jobs shall be executed, performed and built in full compliance with PREPA's Electrical Codes and any other special requirement established previous the commencement of works. Job sites shall be marked with cones and signs visible from the nearest road to identify crew location.


All work performed by the Contractor is subject to inspection and approval by PREPA. PREPA to clearing identify and provide the required specification prior to commencement of work. Any work not meeting PREPA power line construction standards or turned in falsely will be redone at no cost to PREPA. If subsequent inspections are required after the initial follow up the actual cost shall be billed to Contractor. The presence of PREPA personnel shall not in any way alter, modify, or lessen the obligation of the Contractor to comply with the requirements of this Contract. Any inspection by PREPA personnel shall not be considered as an acceptance of waiver of warranty or other rights of the work inspected.

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The Contractor shall promptly correct all work reasonably deemed by PREPA as failing to conform to the power grid construction specifications provided by PREPA to the Contractor pursuant to the previous paragraph. The Contractor shall promptly remedy the lack of performance and execute the work in accordance with the specifications, without expense to PREPA. If the Contractor fails to correct work deemed by PREPA within a reasonable time after notice has been given to the Contractor, PREPA may correct such work at the expense of the Contractor. Such expense may be deducted by PREPA from any payments due or to become due to the Contractor or, if final payment has been made, the Contractor shall reimburse PREPA such amounts.

ARTICLE 9. Access to Work

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- 1) The Contractor shall permit all persons appointed or authorized by PREPA to visit and inspect the work or any part thereof at all times and places during the progress of same.
 - 2) Subject to appropriate safety considerations, the Contractor agrees to provide the FEMA Administrator or his authorized representatives' access to work sites pertaining to the work being completed under the Contract.

ARTICLE 10: Force Majeure

Notwithstanding anything to the contrary herein contained, it is agreed that either party hereto will be relieved of its obligations hereunder in the event and to the extent that performance hereof is delayed or prevented by any cause beyond its control and not caused by the party hereto claiming relief hereunder, including, without limitation, acts of God, industrial disturbances, acts of the public enemy, war, blockages, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of services due to the acts or failure to act of any governmental authority, provided that these events, or any other claimed as a Force Majeure event, and/or its effects, are beyond the reasonable control and were not caused by the fault or negligence of the party claiming the Force Majeure event, and that such party, within ten (10) days after the occurrence of the alleged Force Majeure, gives the other party written notice describing the particulars of the occurrence and its estimated duration. The burden of proof as to whether a Force Majeure has occurred shall be on the party claiming the Force Majeure.

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ARTICLE 11: Suspension of Payment

If Contractor fails in completing the work, or any separable part thereof, within the timeframe established in Article 4, Commencement and Completion of Work, PREPA may, as its option, retain that portion of the payment attributable to the non-conforming work until such service discrepancies have been corrected.

In case of delay, the Contractor shall within ten (10) days from the beginning of any such delay notify the Engineer in writing of the causes of delay, who shall ascertain the facts and the extent of the delay and extend the time for completing the work when in his judgment the findings of facts justify such an extension, and his findings of facts thereon shall be final and conclusive on the parties hereto, subject only to appeal by the Contractor as provided in the ARTICLE 27, Disputes; provided that, no claim made by Contractor against PREPA, its agents, contractors, subcontractors, employees, successors, assignees, for any cause whatsoever, during the progress of any portion of the work embraced in the Contract shall relieve any of the parties from the performance of its obligations and of the work under this Contract, which shall not suffer any delay by reason of a claim being ascertained by either Party under this Contract.

ARTICLE 12: Insurance and Bonds

The Contractor shall obtain and maintain in full force and effect during the life of this Contract and thereafter as provided herein, policies of insurance covering all operations engaged in by the Contract, which shall be formally agreed with insurance companies authorized to do business in Puerto Rico, and to that the effect it shall provide in original certificates of insurance and endorsements, as follows:

A. Commonwealth of Puerto Rico Workers Compensation Insurance


The Contractor shall provide workmen's compensation insurance as required by Act No. 45 of April 18, 1935, as amended, known as the Workmen's Compensation Act of the Commonwealth of Puerto Rico ("Act 45"). Contractor shall also be responsible for compliance with Act 45 by all its subcontractors, agents and invitees, if any, or shall certify that such subcontractors, agents and invitees have obtained said policies on their own behalf. Contractor shall furnish to PREPA a certificate from the Puerto Rico's State Insurance Fund showing that all personnel employed in the work are covered by the workmen's compensation insurance, in accordance with this Contract.

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B. Employer's Liability Insurance

The Contractor shall provide Employer's Liability Insurance with minimum bodily injury limits of \$3,000,000 for each employee and \$3,000,000 for each accident, covering against the liability imposed by Law upon the Contractor as a result of bodily injury, by accident or disease, including death arising out of and in the course of employment, outside of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.

C. Commercial General Liability Insurance

 The Contractor shall provide a Commercial General Liability Insurance with limits of \$3,000,000 per occurrence and \$3,000,000 aggregate. This Policy shall include a completed operations.

D. Automobile Liability Insurance

The Contractor shall provide an Automobile Liability Insurance with limits of \$3,000,000 combined single limit covering all owned, non-owned and hired automobiles.

Requirements under the Policies:

The Commercial General Liability and Automobile Liability Insurance required under this Contract shall be endorsed to include:

a. As additional insured:

Puerto Rico Electric Power Authority
Risk Management Office
PO Box 364267
San Juan, PR 00936-4267

b. 30 day cancellation or nonrenewable notice to be sent to the above address.

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- c. An endorsement including this Contract under contractual liability coverage and identifying it in number, date and parties to the contract.
- d. Waiver of Subrogation in favor of PREPA.
- e. Breach of Warranties or Conditions: "The breach of any of the Warranties or Conditions in this policy by the Contractor shall not prejudice PREPA's rights under this policy."

Furnishing of Policies:

All required policies of insurance shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico.

The Contractor shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded. Indemnification. The Contractor shall indemnify, defend and hold harmless PREPA, its agents and employees, from and against any and all claims, actions, suits, charges and judgments arising from, or related to, the gross negligence, fraud or wilful misconduct of the Contractor in the performance of the services called for in this Contract. The failure of the Contractor to obtain, maintain, or pay for any insurance coverage necessary to insure its obligations under this Contract and/or the failure of Contractor's insurance carrier to provide insurance coverage shall not relieve Contractor of its indemnification obligations.

Bonds

If requested in writing by PREPA, Contractor shall deliver:

1. A Performance Bond in the amount of one hundred percent (100%) of the amount specified in the applicable work release, with a good and sufficient surety satisfactory to PREPA guaranteeing that the Contractor will well and faithfully perform the work specified in such work release.

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2. A Payment Bond in the amount of one hundred percent (100%) of the amount specified in the applicable work release, with a good and sufficient surety satisfactory to PREPA to guarantee the prompt payment of all labor, supervision, equipment and materials required in the performance of the work specified in such work release.
3. All bonds shall be issued in the Official PREPA forms.

ARTICLE 13: Independent Contractor

- 1) PREPA and the Contractor agree that Contractor's status hereunder and the status of any agents, employees and subcontractors engaged by the Contractor shall be that of an independent contractor only and not that of an employee, agent, director or officer of PREPA nor shall they be considered a public servant of neither PREPA nor the Commonwealth of Puerto Rico. The Contractor recognizes that its personnel shall not be entitled to employment benefits such as vacations, sick leave, retirement benefits and other benefits from PREPA because of its condition as an independent contractor. Neither the Contractor nor its personnel shall have any power or right to enter into contracts on behalf of PREPA. No provision of this Contract shall be deemed to create an employment relationship between Contractor or his employees, agents or subcontractors and PREPA.
- 2) The employees of Contractor engaged in performing services hereunder will be considered employees of Contractor for all purposes and will under no circumstances be deemed to be employees of PREPA. PREPA will have no supervisory power or control over any such Contractor's employees and any complaint or change in procedure will be communicated transmitted by PREPA to Contractor who will in turn promptly give any necessary instructions to its own personnel.
- 3) Contractor will be responsible for the direct supervision of its employees through its designated representative and such representative will in turn, report to and confer with the designated agents of PREPA with respect to the services.
- 4) Except as expressly provided otherwise in this Contract, Contractor agrees to assume full and complete responsibility for any and all liability to its employees on account of injury,

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disability, and death resulting from, or sustained by said employees in the performance of the services defined herein.

- 5) At PREPA's request, Contractor will immediately remove from service any employee whose acts or omissions will be a violation of applicable law or constitute a breach of this Contract.
- 6) Both parties agree to accept full and exclusive liability for the payment of any and all taxes, contributions, and other payments for unemployment compensation and/or pension benefits, Worker's Compensation, employers liability insurance or annuities now or hereafter imposed upon employers as applicable to them with respect to its employees and each party will make such payments and will make and file any and all reports and returns and take all other actions do all other things necessary to comply with the laws imposing such taxes, contributions, or other payments.
- 7) Contractor represents and warrants that the employees used in the performance of the services hereunder will have the qualifications, skills and experience necessary to perform the services and will have the work records as represented to PREPA.
- 8) In the performance of the Contract, Contractor will comply with all applicable statutes, regulations, ordinances pertaining to nondiscrimination in employment and facilities.

Contractor agrees to hold PREPA harmless and to indemnify and defend PREPA in full for any and all damages, claims, assessments, penalties, liabilities, charges, attorney's fees or other losses incurred during or following the term of this Contract, which result from any assertion, claim, determination or adjudication that Contractor or any of its employees are employees of PREPA, including, but not limited to, any claim, determination or adjudication made pursuant to the Internal Revenue Code, any of Puerto Rico Unemployment laws and regulations, Compensation Law, or any other federal, state or local wage, employment, insurance, labor and other laws, statutes, regulations and ordinances.

ARTICLE 14: Termination

- 1) Notwithstanding anything to the contrary in this Contract regarding its term, PREPA may, at any moment, terminate, cancel or accelerate its expiration, after giving the Contractor not less than thirty (30) days prior written notice, for any or no reason, when in PREPA's judgment such action responds to its best interest. PREPA may terminate this Agreement

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immediately at any time in cases of gross negligence by the Contractor upon written notice to Contractor specifying such gross negligence.

- 2) PREPA may terminate this Contract (or any portion thereof) for any cause if Contractor (i) becomes insolvent, or (ii) in is material breach of the service obligation, which does not otherwise have a specified contractual remedy, and fails to cure the breach within thirty (30) days of notice from PREPA; or fails to commence to cure the material breach and diligently proceed with the cure if it is not possible to cure within thirty (30) days of such notice. .
- 3) If this Contract is so terminated, the Contractor shall be compensated in accordance with the terms of this Contract for all work performed through the termination date and for actual, reasonable, and necessary expenses, including reasonable demobilization costs caused by such termination, which shall apply in the case of Termination by either Party for any reason. The exercise of PREPA'S right to terminate, cancel or rescind the Contract shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law for delays or breach incurred by the Contractor in the performance of its obligations under the Contract.
- 4) Breach By PREPA. Upon written notice to PREPA from Contractor stating that PREPA is in material breach of the Contract, PREPA will immediately remedy such material breach. Where PREPA fails to remedy such material breach within ten (10) days or to promptly initiate and continue in good faith to remedy a material breach that cannot be reasonably remedied in ten (10) days, Contractor will have the right to terminate the Contract upon five (5) days' notice to PREPA. PREPA further agrees that if it commits a substantially similar material breach more than twice in any one (1) month period, regardless of remedy, Contractor will have the right to terminate the Contract upon notice to PREPA.

ARTICLE 15: Termination Settlement

- 1) If the Contract is terminated for any reason, the Contractor shall stop work as specified in the termination notice provided by PREPA, and shall be prohibited from incurring additional

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obligations of Contract funds. PREPA may allow costs that the Contractor could not reasonably avoid during the termination process to the extent that said costs are determined to be necessary and reasonable.

- 2) In the event of a termination, all work in process, finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, reports, property and any other items or deliverables prepared by the Contractor that would be furnished to PREPA, the Commonwealth of Puerto Rico, or the Federal government if the Contract had been fully performed shall, unless otherwise stated in writing by PREPA, become PREPA's property.
- 3) Following termination, the Contractor shall submit a final termination settlement proposal to PREPA in the form and with the certification prescribed by PREPA. The Contractor shall submit the final termination settlement proposal promptly, but no later than one year from the effective date of termination, unless extended in writing by PREPA upon written request of the Contractor within this one-year period. The Contractor and PREPA may agree upon the whole or any part of the amount to be paid or remaining to be paid because of the termination. However, the agreed amount may not exceed the total Contract price as reduced by (1) the amount of payments previously made and (2) the Contract price of work not terminated

ARTICLE 16. Permits and Licenses

The Contractor shall obtain and maintain all the licenses, permits, and authorizations required to perform all services, works, operations and tasks under this Contract, and shall send all notices, pay all fees and related costs, and will comply and will have its subcontractors and agents comply with all laws, ordinances, rules, and regulations applicable to the work.

ARTICLE 17: Minimum Wage Rates

Laborers and other employees engaged under this Contract shall be paid not less than the minimum wages rates prescribed by law. PREPA may withhold from any monies due to the

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Contractor any sum necessary to make up the full amount of wages due under this Contract and may distribute it directly to those entitled thereto hereunder.

ARTICLE 18: Contingent Fees

The Contractor guarantees that he has not employed any person to solicit or secure this Contract upon any agreement for a commission percentage, brokerage or contingent fee. Breach of this guarantee shall give PREPA the right to annul the Contract or, at its discretion to deduct from the Contract price or consideration the amount of such commission, percentage, brokerage or contingent fees. This guarantee shall not apply to commission's payable by contractors upon contract or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE 19: Other Contracts

PREPA may award other contracts for additional work, and the Contractor shall fully cooperate with such other contractors of this Contract, and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Contractor shall not commit or permit any acts which interfere with the performance of work by any other Contractor.

ARTICLE 20: Official not to Benefit

No officer, employee or agent of PREPA, or of the Government of the Commonwealth of Puerto Rico or Municipal Governments, shall be admitted to any share or part of this Contract or to any benefit that may arise there from, but this provision shall not be construed to extend to this Contract if made with a corporation for its general benefit.


In addition to the restrictions and limitations established under the provisions of Act 1-2012, as amended, retired or former officers or employees of PREPA, whose work was in any way related to the award or management of contracts, shall in no way benefit from any contract with PREPA for a period of two (2) years after leaving employment with or ceasing services to PREPA.

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ARTICLE 21: Conflict of Interest

The Contractor certifies that none of its representatives under this Contract receive payment or compensation of any nature, for services rendered regularly through an appointment to a governmental agency, body, public corporation or municipality of Puerto Rico. The Contractor also certifies that he may have consulting services contracts with other governmental agencies or bodies, but such condition does not constitute a conflict of interest for the Contractor.

The Contractor acknowledges that in executing the services pursuant to Contract it has a duty of complete loyalty towards PREPA which includes not having adverse interests to those of PREPA related to the services. Those adverse interests include representation of clients which have or may have opposed interests to those of PREPA in relation to the services. Also, the Contractor shall have the continuous obligation to disclose to PREPA all information and circumstances of its relations with clients and third persons and any interest which could reasonably influence PREPA when executing this Agreement or during its term.

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- 1) The Contractor represents conflicting interests when on behalf of a client he must contend for that which it is his duty to oppose to comply with its obligations with another previous, present or potential client. Also, the Contractor represents conflicting interests when his conduct is described as such in the canons of ethic applicable to the Contractor and his personnel or in the laws or regulations of the Commonwealth of Puerto Rico.
 - 2) In the event that any of the partners, directors or employees of the Contractor should incur in the conduct described herein, said conduct shall constitute a violation to the prohibitions provided herein. The Contractor shall avoid even the appearance of the existence of conflicting interests.
 - 3) The Contractor acknowledges that PREPA's Contracting Officer shall have the power to intervene the acts of the Contractor and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. In the event that PREPA should discover the existence of adverse interests with the Contractor, the Contracting Officer shall inform the Contractor, in writing, of PREPA's intention to terminate this Contract within a thirty (30) day period. During said period, the Contractor may request a meeting with the Contracting Officer to present his arguments regarding the alleged conflict

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of interests, which meeting shall be granted by PREPA in every case of alleged conflict of interests. In the event that the Contractor does not request such a meeting during the specified thirty (30) day period or the controversy is not satisfactorily settled during the meeting, this Contract shall be cancelled.

- 4) The Contractor certifies that, at the time of award of this Contract, it does not have any other contractual relation that can enter in a conflict of interest with this Contract. The Contractor also certifies that no public employee has any personal or economical interest in this Contract.

ARTICLE 22: Claims for Labor and Materials

Conditions upon timely payment from PREPA pursuant to the terms of this Contract, the Contractor shall, at his own expense, assume the defense of and save harmless PREPA from claims for labor and materials and not suffer any mechanics or other liens to remain outstanding against any of the property used in connection with the work; and shall, on request, furnish satisfactory evidence that all persons who have done work or furnished materials have been fully paid. If the Contractor fails to comply with his obligations in this respect, PREPA may take such liens or claims and may withhold from any monies due to the Contractor such amounts as may be necessary to satisfy and discharge any such claims and any cost and expenses incidental thereto.

ARTICLE 23: Unfair Labor Practice

- 1) In the event that the Contractor or any of his subcontractors or agents do not comply with an order issued by the Puerto Rico Labor Relations Board and/or the National Labor Relations Board upon their finding that the Contractor or any of his subcontractors or agents have committed an unfair labor practice, no further payments shall be made by PREPA to the Contractor after the date of said order. In addition, the Contract may be terminated by PREPA, in which case PREPA may take possession of the materials, tools, and appliances on the job site and finish the work by whatever method it may deem expedient.

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- 2) Any declaration by the Puerto Rico Labor Relations Board and/or by the National Labor Relation Board that the contractors or agents have not complied with an order issued by the Board relating to any unfair labor practice, shall be binding, final and conclusive unless such order is reversed or set aside by a Court of competent jurisdiction.

ARTICLE 24: Novation

The Contractor and PREPA expressly agree that no amendment or change order which could be made to this Contract, during its term, shall be understood as a contractual novation, unless both parties agree to the contrary, specifically and in writing. This previous provision shall be equally applicable in such other cases where PREPA gives the Contractor a time extension for the compliance of any of its obligations under the Contract or where PREPA dispenses the claim or demand of any of its credits or rights under this Contract.

ARTICLE 25: Patents and Copyrights

The Contractor, at its own expense, shall defend any suit or action brought against PREPA based on a claim that any equipment or part thereof, copyright or un-copyrighted composition, secret process, patented or unpatented invention, article, or appliance manufactured or used in the performance of this Contract, including their use by PREPA, constitutes an infringement of any patents or copyrights of the United States, if notified promptly in writing by PREPA, and given the authority, information, and assistance for the defense of the same, and the Contractor shall pay all damages and costs awarded therein against PREPA. If, in such suit, the equipment or any part thereof, or the composition, secret process, invention, article or appliance is held to constitute infringement and its use is enjoined, the Contractor, at its option and expense, shall either procure for PREPA the right to continue using the same. Also, can replace it with non-fringing equipment, composition, secret process, invention, article or appliance, modify it so it becomes non-infringing or remove it and refund the purchase price.

ARTICLE 26: Waiver

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No waiver of any breach of this Contract shall be held to be a waiver of any other subsequent breach.

ARTICLE 27. Disputes

All disputes concerning questions of fact arising under this Contract shall be decided by PREPA's Transmission and Distribution Director within 10 days from the submission of the dispute by Contractor, subject to written appeal by Contractor to the Contracting Officer within twenty (20) days. Within 10 days thereafter, the Contracting Officer shall inform each party hereto of his decision regarding the dispute. Contractor, at its option, may elect to accept such decision or pursue remedies at law or equity. Contractor may pursue directly the remedies at law or equity for all disputes. Notwithstanding the terms above, each party has the right at any time, at its option and where legally available, to commence an action or proceeding in a court of competent jurisdiction.

ARTICLE 28: Payment to Contractor

Upon completion and acceptance of all work required hereunder, the amount due to the Contractor under this Contract, if any, will be paid upon the presentation of a properly executed and duly certified invoice therefore, after the Contractor shall have furnished PREPA with a release, if required, or all claims against PREPA arising under and by virtue of this Contract, other than such claims if any, as may be specifically excepted by the Contractor from the operation of the release in stated amounts to be set forth therein; provided that, the amount of such excepted claims is not included in the invoice for final payment.

Invoices for final payment, if any, submitted by the Contractor shall be subject to PREPA's approval before being paid, and its payment shall be done within 45 days after the date of its approval by PREPA. All invoices submitted by the Contractor shall include the Certification established in Article 3, Consideration, in order to proceed with its payments.

ARTICLE 29. Change in Law

During the term of this Contract, if there is any change in law, including, but not limited to changes in applicable tax law, which causes an increase in Contractor's costs when supplying

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services to be acquired by PREPA, such increased costs shall be Contractor's responsibility and PREPA shall not be obliged to make additional payments nor to pay additional sums to the Contract Price originally agreed for those services. In such case, Contractor may elect to terminate this Contract without penalty with thirty (30) days written notice to PREPA and PREPA shall pay and compensate Contractor for all work and services performed to the date of termination, without waiver by Contractor of any other rights or remedies it may have in law or in equity to protect its rights under this Contract, including under Article 14.3.

ARTICLE 30: Choice of Law

↙ This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the contracting parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing parties may have among them regarding the terms and conditions of this Contract.

ARTICLE 31 Separability

If a court of competent jurisdiction declares any of the Contract provisions as null or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of the Contract and the parties agree to comply with their respective obligations under such provisions not included by the judicial declaration.

ARTICLE 32: Correlation of Documents

In case of discrepancy or in the event of any conflict among the different Contract documents such as: Contract, Scope of Services, Código de Construcción Eléctrica, Appendixes, and Contractors Proposal per Contract Release, these shall take precedence in the order given. The terms and conditions contained in the Contract shall prevail over any conflictive terms and conditions contained in the Contractors Proposal and any other document expressly referenced in this Contract.

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ARTICLE 33: Notice

- 1) PREPA agrees to give the Contractor immediate notice of any and all claims for which the Contractor may be liable, and the Contractor agrees to give PREPA immediate notice of any and all claims for which PREPA may be liable.
- 2) Any notice to be given hereunder shall be in writing and will be sufficiently served when delivered in person or properly mailed or emailed to the following addresses:

✓ To PREPA: Puerto Rico Electric Power Authority
PO Box 364267
San Juan, Puerto Rico 00936-4267
Email: edgardo.diaz@prepa.com

Attention: Eng. José Sepúlveda

To Contractor: Cobra Acquisitions LLC
14201 Caliber Drive, Suite 300
Oklahoma City, Oklahoma 73134
Email: mlayton@mammothenenergy.com

Attention: Legal Department


ARTICLE 34: Puerto Rico Treasury Department Withholding

PREPA will deduct and withhold at the source to PREPA Net the equivalent of seven percent (7%) from payment for services rendered in Puerto Rico under this Agreement, in compliance with the New Puerto Rico Internal Revenue Code, Law 1-2011, Section 1062.03, as amended. Notwithstanding, the withholding to be done by PREPA as herein stated could be increased to: twenty percent (20%) in the event that PREPA Net is a non-resident individual, which is a U.S. citizen, as provided by the New Puerto Rico Internal Revenue Code, Section 1062.08; or twenty-nine percent (29%) in the event that PREPA Net is a non-resident and non U.S. citizen individual; or a foreign corporation or partnership which is not dedicated to industry or business in Puerto Rico, as provided by the New Puerto Rico Internal Revenue Code, Section 1062.08.

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If a Release Letter has been issued to PREPA Net by the Treasury Department, PREPA Net shall be responsible to submit a copy of said Release Letter to PREPA for every calendar year; otherwise, payments under the Agreement shall remain subject to withholding at the source. All invoices shall be segregated by concepts (services, materials, equipment, etc.), to identify the amounts subject to withholding, and avoid undue deductions.

ARTICLE 35: Discrimination

 The Contractor certifies that it is an equal opportunity employer, and does not discriminate by reason of race, color, gender, age, national or social origin, social status, political ideas or affiliation, religion; for being or perceived to be victim or domestic violence, sexual aggression or harassment; for physical or mental disability or veteran status.

ARTICLE 36: Other Taxes

All unemployment, retirement, and other Social Security contributions and taxes; all sales, use and excise, privilege, business and occupational taxes, and any other taxes or fees payable by the Contractor are and shall be included as part of his prices.

ARTICLE 37: Quality Assurance

The Contractor shall use commercially reasonable efforts to establish an adequate quality control program to satisfy all applicable regulation and requirements specified in the procurement documents. The program shall contain all those measures necessary to assure that all basic technical requisites are fulfilled.

PREPA reserves the right to conduct audits and inspections to the facilities, activities, and/or documents; limited to inspection and quality control documents that are strictly related to and relevant to the performance of Contractor's activities under this Contract; when estimated necessary in order to assure that the quality control program is adequate and is being properly implemented. The Contractor shall provide PREPA access to its facilities and documents; limited to inspection and quality control documents that are strictly related to and relevant to the performance of Contractor's activities under this Contract; so that PREPA, through audits and inspections can verify the quality of the purchased products or services.

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ARTICLE 38: Transfer of Funds

If Contractor decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Contract, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012, as amended. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.

Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Contractor owes; PREPA may retain any said amount if Contractor fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Contractor also acknowledges and agrees that PREPA's payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Contractor is entitled to under this Contract. Contractor shall include with its notice of assignment of funds a cashier's check or money order for two hundred dollars (\$200), payable to "Puerto Rico Electric Power Authority", to cover administrative costs in processing such assignment.

ARTICLE 39: Safety Provisions

The Contractor shall comply with all applicable parts of this Safety Provisions according to the scope of the project. The Contractor shall comply with all applicable federal, state, and local laws, regulations, orders, or decrees in effect during the period of performance. Almost all of the requirements of this Section are not applicable to the scope of Contractor's Work. Contractor will provide information responsive to any applicable portions.

- 1) The Program shall comply with the following minimum requirements of a health and safety program, according with the scope of the project including, but not limited to:
 - i. Occupational Exposure to Noise (29 CFR 1910.95)

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- ii. Hazardous Materials (29 CFR 1910 Subpart H)
- iii. Personal Protective Equipment (29 CFR 1926 Subpart E)
- iv. Hazard Communication (29 CFR 1910.1200)
- v. Fire Protection (29 CFR 1910 Subpart L)
- vi. Electrical work (29 CFR 1926 Subpart K)
- vii. Tools, Hand and Powered (1926 Subpart I)
- viii. Lockout/Tag out (29 CFR 1910.147)
- ix. Portable Ladders
- x. Electric Power Generation, Transmission and Distribution (29 CFR 1910.269)

2) The Program shall be revised annually.

3) It shall include an accident or incident investigation procedure. This procedure will always include the preparation of a report, which will be submitted within five days after accident to the Safety Division of PREPA.

4) The Contractor shall include a Safety Officer.

5) Safety inspections and work permit system shall be included.

6) Before commencement of work, the Contractor shall take part in a coordination meeting with a Safety Officer and the project manager on PREPA's behalf. During this meeting the areas to be worked on will be toured, the site-specific work plan will be discussed and reviewed, and amendments to it could be required.

7) The Contractor shall submit, prior to commencement of the work, for evaluation by the Safety Division the following:

- a. A Site Specific Work Plan including: the scope of work, description of the activities to be done, special safety and health considerations to be addressed before commencement of the project, safety procedures to be applied and used during the project specially for excavations, work zone protection, scaffolding and crane operations. It shall also include any other regulation or guidelines related to safety and health that could be applicable to the scope of work, contingency procedures that include how to proceed in an emergency situation, such as fire or chemical spill,

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- among others. Also, identify medical services in the municipality of work to maintain communication in case of any medical emergency.
- b. A list of all specialized personnel needed. Also, include copy of all training certificates, licenses or certifications required, according to the scope of work. For example: tree trimming, crane operator, pesticide applicator, electrician, spill responder, excavations competent person, DOT training for hazardous substances, etc. All these certificates and licenses shall be up to date.
- c. Copy of the Safety Data Sheets (SDS) of all chemical products to be used during the project, for evaluation and approval by the Occupational Safety Division at PREPA (Hazard Communication Section).
- d. Certification of compliance with medical surveillance requirements, according to scope of work.
- e. Certification of compliance with Fit Test requirements for the use of negative pressure respirators if applicable.
- f. Certification of training for the use of personal protective equipment.
- 8) Each Contractor/Subcontractor shall adhere to a 100% drug /alcohol free work zone.
- 9) The Contractor shall be responsible for maintaining good housekeeping in the work, rest, lunch and toilet areas and under reasonably sanitary conditions.
- 10) If the contracted services include demolition activities (as defined per ANSI A10.6 – 1990: Demolition – the dismantling, razing or wrecking of any fixed building or structure or any part thereof) that will be carried out in buildings or structures, that because of their construction date or prior use, are suspected to contain asbestos, lead based paint or other hazardous materials, the contractor will require a certification from the project manager or owner stating that the building or structure is free of such materials.
- 11) Services including activities inside buildings occupied by working personnel, that could create a hazard to their safety or health, will be offered after PREPA'S working hours. The exception will be if the contractor could take all the necessary precautions to protect PREPA's employees and the public from any possible hazard caused by the work. The Contractor will take all steps necessary to assure the area will be free of nuisance odors or

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vapors before PREPA's personnel is to reoccupy. All these will be done in coordination with the local supervisor of PREPA.

- 12) The Contractor shall assure that all wastes generated by Contractor as a part of the Work are removed and properly disposed of, in accordance with all applicable laws and regulations, at the end of every work shift and after the completion of the project.
- 13) All non-contained chemical products to be used shall be classified as Approved or Conditionally Approved by PREPA's Hazard Communication Section.
- 14) Welding operations will comply with the requirements of OSHA, ANSI and NFPA.
- 15) If the project involves the handling of non-asbestos insulation or other dust generating materials, like gypsum board, steps shall be taken to prevent the release of the dust to adjacent areas.
- 16) The Contractor shall take all reasonable precautions for the safety of, and shall provide all reasonable protection to prevent damage, injury or loss to all employees on the work site and all other persons who may be affected. This shall include property, material and equipment on or off the site, under the care, custody or control of the Contractor or any of the subcontractors.
- 17) The Contractor shall comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. Shall erect and maintain, as required by existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities.
- 18) If near populated areas, any excavation made by the contractor shall be covered, protected or barricaded after work hours or if it will be left unattended.
- 19) The contractor shall notify and coordinate any excavation with the "Centro de Coordinación de Excavaciones y Demoliciones" if applicable.

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- 20) The work zone near any public road shall be protected using, signs, cones, barricades, etc. in accordance with the MUTCD and DOT. In this conditions, any employee in or around the work zone shall use a reflective vest in accordance with MUTCD.
- 21) Access to the work zone shall be prohibited to any person not related to the project by means of signs, barricades, fences or a combination of them.
- 22) The Contractor shall designate an employee as their safety officer for the project. The duties of the safety officer could be in addition to his/her normal duties. The safety officer shall be in charge of the prevention of accidents and the implementation of the Safety and Health Program Plan and the Site-specific Plan in coordination with PREPA's Safety Officer, Project Manager and Resident Engineer. The contractor safety officer shall have a basic training of 30 hours in Occupational Safety and Health Standards for Construction Industry from an approved OSHA Training Center. Evidence of the training shall be submitted if requested by PREPA.
- 23) Compliance with all safety provisions by subcontractors shall be the responsibility of the Contractor.
- 24) Contractor agrees that it shall perform all work in compliance with federal, state and local occupational safety and health regulations, as described in the Site Specific Work Plan.
- 25) Contractor will obtain and maintain, during the duration of the project, the proper permits from all federal, state and local regulatory authorities or other applicable government agency with respect to discharge, disposal, use, storage, handling and transportation of hazardous chemicals and substances as and when applicable law or regulation requires. For projects including the handling of asbestos, lead, or spilled hazardous substances, the notification to EPA or the EQB will be done by the Contractor, but in coordination with the Safety Officer and the Environmental Advisor or Officer.
- 26) Contractor will not cause or permit any hazardous chemical or product containing a hazardous chemical to be at, or in the vicinity of, any place where any employee, agent, or contractor of Puerto Rico Electric Power Authority, or any employee of any such agent or Contractor, may be at risk or exposed to hazard as a result thereof during normal use or any foreseeable emergency.

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ARTICLE 40. Contract Validity

If one or more clauses of the contract are declared invalid, void, unenforceable or illegal, that shall not affect the validity of the remaining portions of the Contract, which shall remain in full force and effect.

ARTICLE 41. Save and Harmless Clause

PREPA and the Contractor shall jointly save and hold harmless and to indemnify, one another from and against any and all liabilities, claims, demands, suits, losses, damages, costs and expenses (including reasonable attorney fees and court costs) for bodily injury to or death of any third person, or damage to or destruction of any property of third party, caused by any negligent act or omission on the part of the indemnifying party its officers, employees, contractors or agents, except to the extent such liabilities, claims, suits, losses, damages, costs and expenses result from any negligent or willful act or omission on the part of the indemnified party, its officers, employees, contractors or agents in the performance or failure to perform its obligations under the Contract.

ARTICLE 42. Warranty

Contractor warrants that it shall perform the services/works in accordance with the applicable standards of care and diligence at the time of performance of the services/works, and which are normally practiced and recognized in performing services of a similar nature (the "Standard"). Should any of the services/works provided by Contractor not fulfill the above established Standard, Contractor shall take all necessary corrective measures to rectify such deficient services/works, at its own and exclusive cost, whenever such course of action is possible or desirable. The rectification of deficient services/works by Contractor shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law or equity for any damages that Contractor's may have caused to it by rendering such deficient services/works.

ARTICLE 43. Authority

PREPA represents and warrants to Contractor that it has authority to enter into this Contract with Contractor, including, but not limited to with respect to the Government Oversight Board and all other relevant authorities.

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ARTICLE 44. Time and Materials

PREPA will pay Contractor upon the submission of invoices approved by PREPA as follows:

- 44.1 Labor: Payments for labor shall be computed by multiplying the minimum daily rate prescribed in the attached schedule of rates set forth on Exhibit B by the number of days. The daily rates shall include wages, indirect costs, general and administrative expense, and profit.
- 44.2 Materials: PREPA will reimburse Contractor for allowable cost of materials, including direct materials, subcontracts for supplies and incidental services for which there is not a labor category specified in the Contract, other direct costs (e.g., incidental services for which there is not a labor category specified in the contract, travel, computer usage charges, etc.), and applicable indirect costs in accordance with the terms set forth on Exhibit C.

ARTICLE 45. Waiver of Consequential Damages and Limitation of Liability

In no event shall either party be liable to the other, or their respective employees, subcontractors and/or agents, or any third party, for any indirect, incidental, special, consequential, punitive damages, or lost profits for any claim or demand of any nature of kind arising out of or in connection with this Contract or the performance or breach thereof and regardless of whether any such claim arises out of breach of contract or warranty, tort, negligence, product liability, misrepresentation, indemnity, contribution, strict liability, equity, or any other legal theory, even in the parties are advised of the possibilities of such damages.

Notwithstanding anything to the contrary contained in this Contract, the total aggregate liability of Contractor with respect to all claims of any kind whether in contract, warranty, indemnity, tort (including negligence), or other contractual or extra contractual liability of any nature, strict liability, or otherwise, and under any system, theory or principle of law, arising out of the performance or breach of this Contract, or relating to the services/works, shall in no event exceed the lesser of (a) \$30,000,000 or (b) the aggregate amount of all payments made to the Contractor under this Contract with respect to the applicable work release.

ARTICLE 46: Modification of Exhibit B and Exhibit C

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Contractor and PREPA may supplement or amend the rates set forth on Exhibit B and Exhibit C by written amendment between the parties.

ARTICLE 47: Assignment

The Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of PREPA.

ARTICLE 48: Subcontracting


The Contractor may not subcontract any of the Services that it has committed to perform or provide pursuant to this Contract without the prior written approval of PREPA, which consent can be provided via email. Such approvals shall not be unreasonably withheld. Such consent to subcontract shall not relieve the Contractor of its full responsibilities under this Contract. Consent to the subcontracting of any part of the services shall not be construed to be an approval of said subcontract or of any of its terms, but shall operate only as an approval of the Contractor's request for the making of a subcontract between the Contractor and its chosen subcontractor. The Contractor shall be responsible for all services performed by the subcontractor and all such services shall conform to the provisions of this Contract.

ARTICLE 49: Compliance with Commonwealth of Puerto Rico Contracting Requirements

The Contractor shall comply will applicable Commonwealth Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico. Contractor shall provide the following certifications and sworn statement as applicable in a term of seven (7) days after the execution of this Contract:

- 1) An Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Cobra Acquisitions LLC has filed his Income Tax Return for the last five (5) years.
- 2) Certification issued by the Treasury Department of Puerto Rico which indicates that it does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms.
- 3) Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues.

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- 4) Certification issued by the Treasury Department of Puerto Rico which indicates that it does not owe Puerto Rico Sales and Use Taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms.
 - 5) Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Cobra Acquisitions LLC does not owe any tax to such governmental agency.
 - 6) Certification issued by Municipal Revenues Collection Center (MRCC) demonstrating that Cobra Acquisitions LLC has filed the Personal Property Tax Return to such governmental agency. Additionally, if Cobra Acquisitions LLC does not own personal property in the Commonwealth of Puerto Rico, Cobra Acquisitions LLC shall provide a sworn statement which states that:
 - a) During the last five years, Cobra Acquisitions LLC has not owned personal property in the Commonwealth of Puerto Rico (except to the extent relating to services provided by the Contractor to PREPA);
 - b) For the reasons above stated, Cobra Acquisitions LLC is not required to file Personal Property Tax in the Commonwealth of Puerto Rico as established in Article 6.03 of Act 83 of August 1991 and therefore a Personal Property Tax file does not exist for Cobra Acquisitions LLC in the MRCC.
 - 7) Certification, issued by the Department of Labor and Human Resources of Puerto Rico, assuring that Cobra Acquisitions LLC has paid to the Department of Labor and Human Resources of Puerto Rico its employees' contribution, in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness, or social security for chauffeurs); or is paying such contribution by an installment plan in full compliance with its terms.
 - 8) Certification, issued by the Child Support Administration, assuring that the Cobra Acquisitions LLC is in compliance with the withholdings required by ASUME.
 - 9) Copy of the Merchant's Registration Certificate.
 - 10) Contractor shall submit a sworn statement whereby it shall inform whether it or any president, vice-president, director, executive director or member of a board of officials or board of directors, or persons that or any person performing equivalent functions for Contractor has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018, Anti-Corruption Code for a New Puerto Rico. Contractor agrees to comply with the provisions of Act No. 2-2018, as the same may be amended from time to time, which

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establishes the Anti-Corruption Code for a New Puerto Rico. The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflicts of interest, or of public policy, between the executive agency and the particular interests it represents.

Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

- PREPA shall have the right to terminate the Contract in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.
- 11) Compliance with Act No. 1 of Governmental Ethics: The Contractor will certify that it is in compliance with Act 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which, stipulates that, no employee or executive of the Contractor, nor any member of his/he immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;

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- 12) Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. Seq., the Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract. Executive Order 1991OE24; C.F.R. Part 404 et. Seq.
- 13) Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: The Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding law number 168-2000 as amended the same is current and in all aspects in compliance. Act 168-2000 "Law for the Strengthening of the Family Support and Livelihood of Elderly People" in Spanish: "Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada", 3 L.P.R.A. §8611 et seq.
- 14) Law Num. 127, May 31, 2004: Contract Registration in the Comptroller's Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.
- 15) Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.
- 16) The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.
- 17) Consequences of Non-Compliance: The Contractor expressly agrees that the conditions outlined throughout Article 49 are essential requirements of this Contract; consequently, should any one of these representations, warrants, and certifications be incorrect, inaccurate or misleading, in whole or in part, and should such non-compliance not be cured within thirty (30) days, there shall be sufficient cause for PREPA to terminate this Contract.

ARTICLE 50. Interagency Services

Both contracting Parties acknowledge and accept that the contracted services may be rendered to any entity of the Executive Branch with which the contracting entity enters into an interagency agreement with or as determined by the office of the Chief of Staff. These services shall be rendered under the same terms and conditions with respect to work hours and compensation, as set forth in this agreement. For purposes of this provision, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico as well as all instrumentalities and public corporations and the Office of the Governor.

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ARTICLE 51. Termination by Chief of Staff

The office of the Chief of Staff shall have the authority to terminate this Contract at any time. In the event the Chief of Staff exercises this authority, such termination shall be deemed a termination by PREPA under Articles 14 and 15.

✓ ARTICLE 52. Miscellaneous

The Parties agree that PREPA will make payment for the work performed under this Contract on a Time and Material basis at the rates set forth in Exhibit B, and the total amount to be paid under this Contract shall not exceed the Contract Amount. PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract Amount. The Contractor will be the only one responsible for any work it or any of its subcontractors, if any, does in excess of the Contract Amount.

ARTICLE. 53 Compliance with Applicable Federal Law, Regulations and Executive Orders

- A. Compliance with the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708) as supplemented by Department of Labor regulations (29 CFR part 5).

Contract Work Hours and Safety

Standards Act (40 U.S.C. 3701–3708). Under 40 U.S.C. 3702 of the Act, the Contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. No laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.


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- (1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$26 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The Government of Puerto Rico shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.
- (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.
- B. Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or organization for

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influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352.

C. Breach of Contract Terms. Any violation or breach of terms of this Contract on the part of the Contractor or a subcontractor may, in accordance with the terms of this Contract, result in the suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA.

 D. Clean Air Act and the Federal Water Pollution Control Act. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The Contractor agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.


Clean Air Act (42 U.S.C. 7401–7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251–1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

E. Changes. At any time, and only through a written change order instruction, PREPA may make changes in the services or work to be performed within the general scope of this Contract. If such changes cause an increase or decrease in Contractor's cost of, or time required for, performance of any services under this Contract, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly, provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. federal agency.

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F. Sufficiency of Funds. The Contractor acknowledges that Federal assistance awarded by U.S. federal agencies will be used, in part, to fund this Contract. However, any failure of PREPA to secure this funding (except due to the Contractor's sole fault), shall not relieve PREPA from its obligations of payment under this Contract.

G. FEMA Disaster Assistance Survivor/Registrant Data.

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- (a) If the Contractor has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, the Contractor shall comply with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance Survivor/Registrant Data with State Governments set forth in the FEMA-Government of Puerto Rico Contract for FEMA-4339-DR-PR.
 - (b) The Contractor shall indemnify, defend, and hold harmless PREPA and the Government of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys' fees, settlements, or adverse judgments arising from the Contractor's failure to comply with the requirements under this contract.


H. Costs. All costs incurred by the Contractor in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart PREPA shall not be required to make payments to the Contractor for costs which are found to be contrary to the cost principles 2 C.F.R. pt. 200, Subpart E.

I. Financial Management System. The Contractor's financial management system shall provide for the following:

- (1) accurate, current and complete disclosure of the financial results of this Contract and any other contract, grant, program or other activity administered by the Contractor;
- (2) records adequately identifying the source and application of all Contractor funds and all funds administered by the Contractor which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;

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- (3) effective internal control structure over all funds, property and other assets, sufficient to allow the Contractor to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;
 - (4) comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program or other activity administered by the Contractor;
 - (5) accounting records supported by source documentation;
 - (6) procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Contractor; and
 - (7) procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, allowability and allocability of costs under this Contract.

J. Penalties, Fines, and Disallowed Costs. If, as a result of any uncured violation of applicable law by Contractor, any U.S. Federal agency or the Government of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Contractor, the Contractor shall be solely responsible for such penalty, disallowed costs, or repayment demand, to the extent of its fault and/or responsibility, and shall reimburse PREPA in full within ten (10) days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Contractor pursuant to this provision shall not relieve the Contractor of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract.

K. Debarment, Suspension, and Ineligibility.


- (1) The Contractor represents and warrants that the Contractor, its principals, and affiliates have not been debarred, suspended, or placed in ineligibility status under the provisions of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000 (government debarment and suspension regulations). The Contractor represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Contract, the Contractor will periodically review SAM.gov and local notices to verify the continued accuracy

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of this representation. The Contractor shall require all subcontractors at every tier to comply with this requirement.

- (2) This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000, in addition to remedies available to the Government of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

L. Reporting Requirements. The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.

 M. Review of laws. The Contractor certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to PREPA will be evidence that the Contractor was able to find it online and read it as required.

N. Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations:

- (1) PREPA is using Federal grant funding awarded or administered by FEMA to the Government of Puerto Rico and/or PREPA to pay, in full, for the costs incurred under this Contract. As a condition of FEMA funding under major disaster declaration FEMA-4339-DR-PR, FEMA requires the Government of Puerto Rico and PREPA to provide various financial and performance reporting. The Contractor agrees to provide all information, documentation, and reports necessary to satisfy these reporting requirements. Failure by the Contractor to provide information necessary to satisfy these reporting requirements may result in loss of Federal funding for this Contract, and such failure shall be a material breach of this Contract.

- (2) Applicable Regulations and Policy. Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to:

(i) 2 C.F.R. § 327 (Financial Reporting);

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- (ii) 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance);
- (iii) Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.

O. Access to Records.

The Contractor agrees to provide PREPA, the Government of Puerto Rico, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.

The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.


The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to work sites pertaining to the work being completed under the Contract.

P. Retention requirements for records.

The Contractor agrees to maintain all books, records, accounts and reports and all other records produced or collected in connection with this Contract for a period of not less than three (3) years after the date of final payment and closed-out of all pending matters related to this Contract. If any litigation, claim, or audit is reasonably anticipated to arise or is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a sub-recipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

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- 1) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
 - 2) When PREPA is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period and PREPA has provided written notice of such extension to Contractor.
 - 3) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.
 - 4) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3- year retention requirement is not applicable to the non-Federal entity.
 - 5) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.
 - 6) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: in- direct cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).
 - 7) *If submitted for negotiation.* If the proposal, plan, or other computation is required to be submitted to the Federal government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.
 - 8) *If not submitted for negotiation.* If the proposal, plan, or other computation is not required to be submitted to the Federal government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

Q. Program Fraud and False or Fraudulent Statements or Related Acts. The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this Contract.

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- R. Procurement of Recovered Materials. In the performance of this Contract, the Contractor shall make maximum use of products containing recovered materials that are Environmental Protection Agency ("EPA")- designated items unless the product cannot be acquired—(i) competitively within a timeframe providing for compliance with the Contract performance schedule; (ii) meeting Contract performance requirements; or (iii) at a reasonable price. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program.->

Solid Waste Disposal Act. The Contractor must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and re- source recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

- S. Energy Efficiency. The Contractor agrees to comply with the requirements of 42 U.S.C. § 6201, which contain policies relating to energy efficiency that are defined in the Government of Puerto Rico's energy conservation plan issued in compliance with said statute.

- T. Compliance with the Davis-Bacon Act

The Contractor shall comply with the Davis-Bacon Act, 40 U.S.C. §§ 3141–3148, and the requirements of 29 C.F.R. § 5.5 as may be applicable, which are incorporated by reference into this Contract.

The Contractor or subcontractor shall insert in any subcontracts the clause in subsection (a) and such other clauses as FEMA may by appropriate instructions require. The Contractor shall require all subcontractors to include these clauses in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

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A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a Contractor and subcontractor as provided in 29 C.F.R. § 5.12.

U. Compliance with the Copeland Anti-Kickback Act (applicable to all contracts subject to the Davis-Bacon Act).

The Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3, as may be applicable, all of which are incorporated by reference into this Contract.

✓ The Contractor and subcontractor shall insert in any subcontracts the foregoing clause and such other clauses as FEMA may by appropriate instructions require. The Contractor shall require all subcontractors to include these clauses in any lower tier subcontracts. The Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

A breach of the contract clauses above may be grounds for termination of the contract and for debarment as a Contractor and subcontractor, as provided in 29 C.F.R. § 5.12.

V. Equal Opportunity.

During the performance of this Contract, the Contractor agrees as follows:


The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for

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employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

 The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

The Contractor will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding (if any) a notice advising the labor union or workers' representative of the Contractor's commitments under section 202 of the US Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The Contractor will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by PREPA, the Government of Puerto Rico, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the Contractor's non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided

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in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

✓ The Contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964- 1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.

- W. Age Discrimination Act of 1975. The Contractor shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.
- X. Americans with Disabilities Act. The Contractor shall comply with the appropriate areas of the Americans with Disabilities Act of 1990, as enacted and from time to time amended, and any other applicable federal regulation. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the term of this Contract.
- Y. Title VI of the Civil Rights Act of 1964. The Contractor shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or

Master Services Contract – PREPA's Electrical Grid Repairs Hurricane Maria
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national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Z. Section 504 of the Rehabilitation Act of 1973, as Amended. The Contractor agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.

AA. Drug-Free Workplace. The Contractor shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.), and implementing regulations at 2 C.F.R Part 3001.

BB. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms.

PREPA must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

Affirmative steps must include:

- (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

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- (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

CC. Rights to Inventions Made Under a Contract. Unless otherwise provided by law, this Contract is subject to the Bayh-Dole Act, Pub. L. No. 96-517, as amended, and codified in 35 U.S.C. § 200 et seq., and the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from federal financial assistance awards located at 37 C.F.R. Part 401 and the standard patent rights clause located at 37 C.F.R. § 401.14, 35 U.S.C. § 200 et seq.

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

DD. Compliance with Laws, Regulation and Executive Orders. The Contractor acknowledges that FEMA financial assistance will be used to fund this Contract. The Contractor shall comply with all applicable Federal and Government of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part 200, and all applicable FEMA regulations in 44 C.F.R. Chapter I. 2 C.F.R. Part 200.

EE. Provisions Required by Law Deemed Inserted. Each and every provision required by law regulation, executive order, policy, procedure, directive, Federal grant award or agreement, or cooperative agreement with any Federal agency to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.

FF. Agreement to Execute Other Required Documents. Contractor and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such

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requirement is not otherwise set forth herein, Contractor agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA received Federal funding for this Contract so long as such amendments or further agreements do not impose additional material obligations on Contractor or eliminate benefits to which Contractor is entitled to under the Contract.

GG. U.S. Department of Homeland Security Seal, Logo, and Flags. The Contractor shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre- approval.

✓ HH. No Obligation by the Federal Government. PREPA and the Contractor acknowledge and agree that the Federal Government is not a party to this Contract.

ARTICLE 54. Complete Agreement

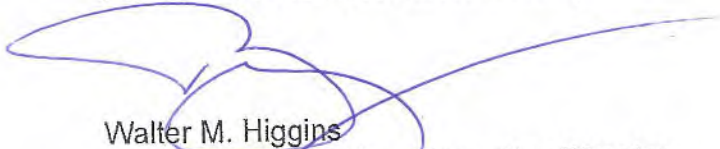
This document, together with all attachments referred to herein, constitutes the entire agreement between the parties as to this subject matter and supersedes all communications, negotiations, and agreements of the Parties, whether written or oral, other than these, made prior to the signing of this Contract. In case of conflict the terms and conditions of this Contract, as signed by the parties, shall prevail.

ARTICLE 55. Modifications and Amendments.

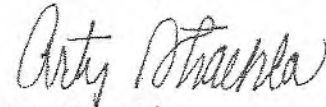
No amendment to or modification or other alteration of the Contract shall be valid or binding upon the Parties unless made in writing, signed by the Parties and, if applicable, approved by the Government of Puerto Rico.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract this 26th day of May of 2018, in San Juan, Puerto Rico.

Puerto Rico Electric Power Authority


Walter M. Higgins
Chief Executive Officer/Executive Director
Employer Social Security 660-43-3747

Cobra Acquisitions LLC


Arty Straehla
Chief Executive Officer
Employer Social Security 371-84-7915

CN 078-04495
Rev. 11/17



GOVERNMENT OF PUERTO RICO
Puerto Rico Electric Power Authority

RFP77844 – Request for Clarification 05.20.2018

- 1) Please submit for confirmation the Quantities and Billable Daily Rates in the table below that reflect the final negotiated price proposal

Line Item	QTY	(16 Hours) Billable Daily Rate	Extended Daily Billable Rate	Comments
Blended rate, skilled linemen and equipment, Transmission	100	\$5,200	\$520,000	10% Discount 15 Day Pay
Blended rate, skilled linemen and equipment, Distribution	200	\$3,200	\$640,000	10% Discount 15 Day Pay
All-Inclusive/lodging, power, water, meals, laundry	1	\$81,000	\$81,000	10% Discount 15 Day Pay
Security Team	1	\$1,800	\$1,800	10% Discount 15 Day Pay
Logistics team (Island)	20	\$2,200	\$44,000	10% Discount 15 Day Pay
Management Team, Operations & Safety	20	\$2,200	\$44,000	10% Discount 15 Day Pay
Others (Totals/Average)	341	\$3,902.63	\$1,330,800	10% Discount 15 Day Pay
Mobilization/Demobilization and other reimbursable items shall be paid on a cost reimbursement basis				
Cobra will not charge for Mobilization, so the schedule for mobilization and logistic is not necessary.				
In the future, demobilization will be reimburse at costs.				

- 2) Please submit a complete unit rate table by labor and equipment category to be incorporated in the final price proposal Please refer to CONTRACTOR'S STANDARD EQUIPMENT AND TOOLING SCHEDULE
- 3) Please submit a table of quantities for each labor and equipment category used to develop the 16 hour blended daily rates for "Skilled Linemen and Equipment," Transmission and Distribution as reflected in the final price proposal and confirmed in question (1) above Please refer to CONTRACTOR'S STANDARD EQUIPMENT AND TOOLING SCHEDULE
- 4) Please include any notes or special assumptions (e.g., minimum equipment hours or deviations from a 16-hour assumption) required for PREPA to compute and derive from the data provided in (2) and (3) the final blended rates for "Skilled Linemen and Equipment," Transmission and Distribution Please refer to CONTRACTOR'S STANDARD EQUIPMENT AND TOOLING SCHEDULE



Puerto Rico Electric Power Authority: Appendix B - Proposal Form
Electric System Restoration Services



CONTRACTOR'S STANDARD EQUIPMENT AND TOOLING SCHEDULE

Contractor's composite day rate for labor and standard equipment has been developed based on supplying the following types of equipment listed below.

Any equipment or specialized tooling not indicated below and used on a one-time basis shall be considered a reimbursable item and shall be reimbursed at cost. Any equipment or specialized tooling not indicated below and used on a long-term basis shall be considered a reimbursable item and shall be reimbursed based on actual rental.

Reimbursable items shall also be defined to include but not to be limited to, any items and costs associated with mobilization and demobilization. Reimbursable items such as fuel surcharges, Contractor-furnished permanent materials and equipment costs will be reimbursed at cost.

Any expenses of Contractor that are not specifically listed in this Exhibit C shall be subject to a specific work order to be provided to PREPA by Contractor for approval before such expenses are incurred by Contractor.

PROPOSAL – Work Unit Prices

Labor/ Unit	Work Unit Per Hour	Construction Cost Factor	Total Unit Price Per Hour
General Foreman	\$55	2.59	\$142.45
Foreman	\$53	2.51	\$133.03
Transmission Lineman	\$50	2.66	\$133.00
Distribution Lineman	\$50	2.30	\$115.00
Heavy Equipment Operator	\$46	2.50	\$115.00
Winch Truck Operator	\$35	2.25	\$78.75
Ground-man	\$24	2.89	\$69.36
Apprentice	\$30	2.92	\$87.60

- Regular Workings days are 40 hours per week
- 1.5x for Overtime (OT) after regular working hours
- 2.0X Double-time (DT) for state or federal holiday working days

Handwritten initials or signature in the bottom right corner.

Puerto Rico Electric Power Authority: Appendix B - Proposal Form
Electric System Restoration Services



Equipment Type	Work Unit Per Hour	Construction Cost Factor	Total Unit Price Per Hour
Diggers	\$50	1.00	\$50
Bucket Trucks	\$115	0.42	\$67
Dozer Semi tractor	\$60	2.41	\$145
Haul Semi tractor	\$40	2.85	\$114
Heavy Lift Airlift	\$4,600	2.17	\$10,000
Aircraft MD 500	\$1,000	2.25	\$2,250
55'- 60' 4x2/tracked	\$72	1.20	\$87
100-105 6x6/tracked	\$90	3.17	\$286
60 Ton Truck Cranes	\$350	0.71	\$250
30 Ton Truck Cranes	\$130	0.84	\$110
Pressure Diggers	\$70	1.48	\$118
Pullers (distribution/transmission)	\$80	1.2/1.6	\$96/\$128
Transmission Conductor, Stringing Equipment	\$25	4.00	\$100
Distribution Conductor Stringing Equipment	\$46	1.41	\$65
Pick Up Trucks	\$13	2.92	\$38
Dump Trucks	\$40	1.87	\$75
Reel Trailer Small	\$25	0.80	\$20
Flat Bed Haul Truck	\$30	3.5	\$105
Standard Haul Truck	\$90	0.81	\$73

- A minimum of 5 hours for the Aviation Equipment

G. M.